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INTRODUCTION

“Fruits and vegetables remain an important part of the Canadian diet. Major factors contributing to the ongoing popularity are promotional campaigns extolling their nutritional benefits together with the growing array of fresh-cut products, prepackaged salads, processed products and imported produce available in the market place.”

or close to 62% of the country's total population.

CANADA: PROVINCIAL POPULATION OVERVIEW

PROVINCES AND TERRITORIES	POPULATION
Newfoundland and Labrador	531,600
Prince Edward Island	139,900
Nova Scotia	944,800
New Brunswick	756,700
Quebec	7,455,200
Ontario	12,068,300
Manitoba	1,150,800
Saskatchewan	1,011,800
Alberta	3,113,600
British Columbia	4,141,300
Yukon	29,900
Northwest Territories	41,400
Nunavut	28,700
TOTAL	31,414,000

Source: Statistics Canada, CANSIM II, table 051-0014 and Catalogue no 91-213-XIB

INTRODUCTION

CANADA'S MAJOR MARKETS - POPULATION (THOUSANDS)

METROPOLITAN AREA	1997	1998	1999	2000	2001
Toronto (Ontario)	4,499.0	4,586.7	4,669.3	4,763.2	4,881.4
Montreal (Quebec)	3,408.9	3,423.9	3,447.6	3,474.9	3,511.8
Vancouver (British Columbia)	1,967.6	1,998.4	2,028.4	2,058.7	2,094.1
Ottawa-Hull (Ontario-Quebec)	1,045.5	1,055.6	1,068.6	1,086.1	1,106.9
Calgary (Alberta)	873.2	903.0	926.1	947.3	971.5
Edmonton (Alberta)	897.3	914.3	928.1	941.8	956.8
Quebec (Quebec)	685.4	686.6	688.4	690.5	693.1
Winnipeg (Manitoba)	677.8	677.8	679.7	682.1	684.8
Hamilton (Ontario)	650.4	657.8	664.7	672.2	680.6
London (Ontario)	413.1	415.9	418.5	422.1	426.3
St. Catharines-Niagara (Ontario)	385.5	387.5	388.8	390.9	393.1
Kitchener (Ontario)	402.1	408.5	415.5	423.2	431.7
Halifax (Nova Scotia)	345.3	348.9	352.8	355.9	359.2
Victoria (British Columbia)	317.6	316.8	317.0	317.1	317.8
Regina (Saskatchewan)	199.1	199.2	199.8	199.3	198.1

Source: Statistics Canada, CANSIM II, table 051-0014 and Catalogue no 91-213-X1B

Canadians, like Americans, believe that a diet rich in fruit and vegetables plays an important role in determining good health. However, the Canadian produce market and in particular, that of Ontario and Quebec, has been shaped by several important factors including changes to the distribution and retail landscape that must be addressed in order to achieve success. These opportunities and challenges will be discussed in the following report.

FRUIT AND VEGETABLE CONSUMPTION IN CANADA

CONSUMER CONSUMPTION HIGHLIGHTS
<ul style="list-style-type: none"> •1 Canadians ate an average of 93 kilograms of fruit in 2002, a 15 percent increase from 1992. •2 Canadians drank 25 litres of blended juices per capita in 2002, up 24 percent from 1992. •3 An average of 110 kg of vegetables (including potatoes) were consumed by Canadians in 2002, an increase of 4 kg from 106 kg in 1992. •4 Potatoes account for 35 per cent of all vegetables consumed, with each Canadian eating an average of 38 kg of potatoes in 2002, either fresh, as fries, potato chips or frozen mashed. Up from 33 kg in 1992. •5 Blends of traditional/tropical juices have grown in popularity over traditional fruit juices such as apple, orange and grape juices in the last decade, pushing consumption to 25 litres in 2002, an increase of more than 24% from 1992. •6 While Canadians are still eating significant amounts of vegetables, consumption dropped from 116 kg in 2002, to 110 kg in 2001. However, figures show an increase from 106 kg a decade earlier and 96 kg in 1982.

Source: Food Consumption Highlights 2002; Food Statistics 2003, vol. 3, no. 1;

INTRODUCTION

CHANGING PREFERENCES

According to Statistics Canada, there are several reasons for the changes in the way Canadians eat and drink. In addition to understanding the kinds of foods that should be eaten for good health, Canadians are adjusting their eating habits as the result of increased immigration and the growing desire by all Canadians to eat a wide variety of meals originating from different ethnic origins.

DEMOGRAPHIC INDICATORS

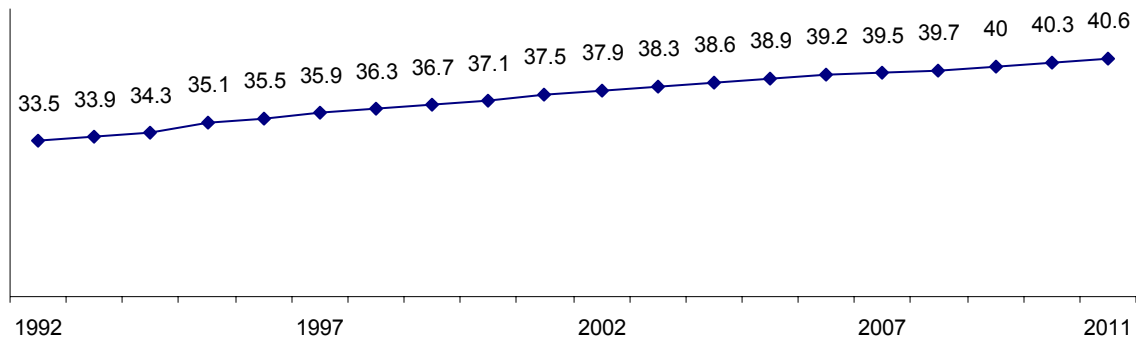
Numerous other factors affect Canadian eating habits and the way the market responds to their needs. Declining population growth and increasing longevity are resulting in an aging population. By 2010, half of the Canadian population will be over 40, and 16.4% will be over 65 years of age.

AVERAGE NUMBER OF PERSONS PER FAMILY – NATIONAL

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
TOTAL CANADIAN HOUSEHOLDS	2.76	2.57	2.57	2.56	2.55	2.54	2.50	2.50	2.50	2.50

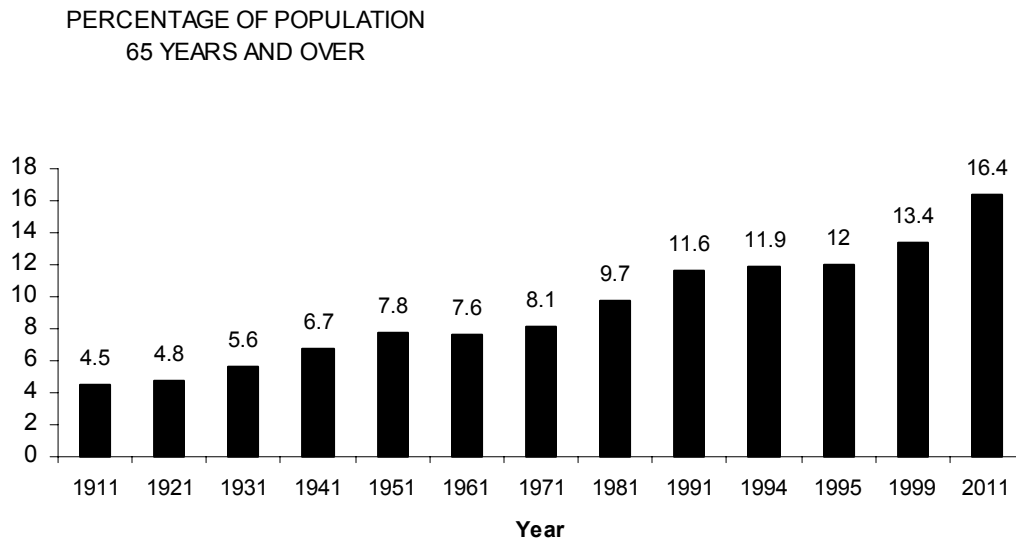
Source: State of the Industry Report 2002, ACNielsen

MEDIAN AGE, NATIONAL



Source: State of the Industry Report 2002, ACNielsen

INTRODUCTION



Source: State of the Industry Report 2002, ACNielsen

As the population ages and the birth rate declines, family sizes decrease accordingly. Increasing divorce rates and later marriages results in the number of households increasing faster than the population. When these factors are combined with a busy, predominantly urban lifestyle, we can understand consumers' desire for convenient, smaller food portions with ease of preparation. In spite of declining birth rates and increasing death rates, Canada is experiencing population growth as the result of immigration. In the period between 2000 to 2001, overall population grew by 313,000. Immigration at 252,000 accounted for 81% of that growth. Currently, 3.4% of the Canadian population immigrated in the last five years. The chart below shows that recent immigrants are arriving most notably, from Asia, which has created higher demand for Asian produce items.

IMMIGRATION BY COUNTRY

Total Immigrants	173,210	205,711	252,088
Europe	37,907	39,961	45,627
Asia	100,433	126,095	156,550
Australasia (1)	831	881	1,107
United States	5,075	5,747	6,030
West Indies	6,196	6,640	8,049
Africa	14,033	16,790	22,750
Other North and Central America	2,628	2,971	3,228
South America	5,041	5,958	7,754
All other countries	796	668	993

Source: State of the Industry Report 2002, ACNielsen

MARKET SUMMARY:

OVERVIEW: RETAIL FOOD CHANNEL GROWING STEADILY

AVERAGE CANADIAN GROCERY CONSUMER 2002:

- 1 Median age of 37.9 years
- 2 Has a one-in-seven chance of being 65 or older
- 3 Has an average of 2.5 people per household
- 4 Spends CDN\$6,217 on food annually [11.1% of disposable income]
- 5 Earns an average of CDN\$634.30 per week

Source: 2002 State of the Industry Report, Cover, ACNielsen

In 2002, Canada's 31 million consumers generated overall retail sales totalling CDN\$306.4billion, representing a six-per-cent increase over 2001. The food channel experienced its largest annual sales gain since 1987, increasing five per cent over 2001 to reach CDN\$66.8 billion or 22 per cent of total retail sales.

While 2002 was a significant growth year for all retail sales, between 1998 and 2002 the increase seen in the overall retail channel increased a significant 24 per cent, while the food channel grew 16 per cent. The 2002 increase seen in this channel is considerable, and marks the largest increase experienced in more than five years.

SIZE OF RETAIL INDUSTRY – NATIONAL/REGIONAL

	CANADA	ATLANTIC REGION	QUEBEC	ONTARIO	MAN/SASK	ALBERTA	BRITISH COLUMBIA
1997	237,836.7	17,837.1	55,866.3	86,430.7	16,210.8	26,938.8	33,735.8
1998	246,674.8	18,747.5	57,162.2	92,428.6	16,395.2	28,069.1	33,049.5
1999	260,779.5	20,151.8	60,778.1	99,193.7	16,763.0	29,334.8	33,684.3
2000	277,033.1	21,142.3	63,480.9	106,426.4	17,528.2	31,712.3	35,820.7
2001	289,130.0	21,997.4	66,036.4	109,193.8	18,331.1	34,602.0	37,979.1

Source: Statistics Canada (Dollars x 1 Million)

SALES TRENDS, GROCERY – NATIONAL/REGIONAL

	CANADA	ATLANTIC REGION	QUEBEC	ONTARIO	MAN/SASK	ALBERTA	BRITISH COLUMBIA
1997	55,949.4	4,648.6	13,258.8	16,282.7	3,839.2	5,651.6	7,781.2
1998	57,664.4	4,743.1	13,631.9	17,077.3	3,967.7	6,101.8	7,627.6
1999	58,889.3	4,990.2	14,232.9	17,075.6	3,973.3	6,330.1	7,687.5
2000	61,090.1	5,242.4	14,319.0	17,930.1	4,162.9	6,696.5	8,019.7
2001	63,651.6	5,594.8	14,577.6	18,217.0	4,340.9	7,316.0	8,588.0

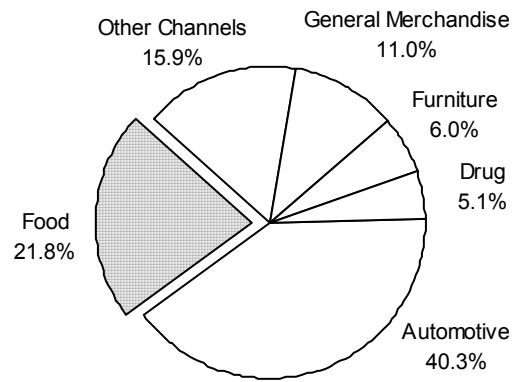
Source: Statistics Canada (Dollars x 1 Million)

A relatively new category, which is believed to be responsible for part this increase, is the value-add and the convenient ready-to-eat categories.

MARKET SUMMARY:

OVERVIEW: RETAIL FOOD CHANNEL GROWING STEADILY

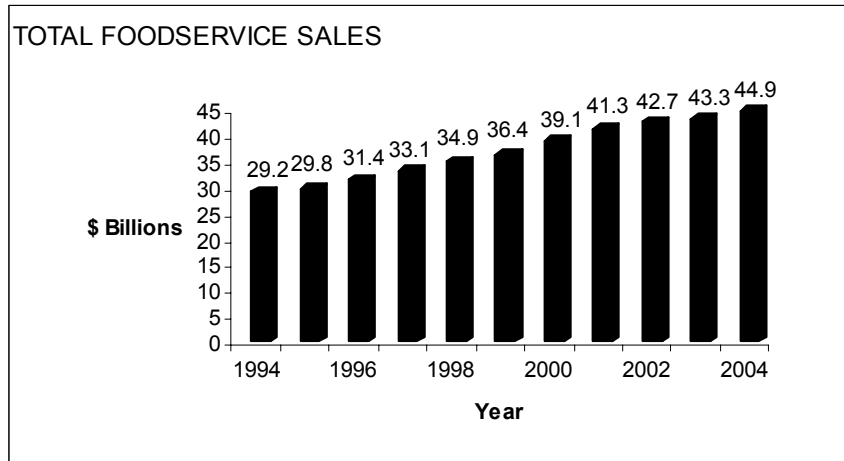
TOTAL 2002 RETAIL SALES BY CHANNEL



Source: *Statistics Canada*
The Daily, February 20, 2003, pg. 2, Statistics Canada

MARKET SUMMARY:

OVERVIEW: FOODSERVICE CHANNEL AND FORECASTS



Foodservice sales mirrored Canada's weak economic performance in 2003. Total sales in Canada's foodservice industry grew by just 1% in 2003, compared to 3.5% growth in 2002. Adjusted for menu inflation, sales fell by 1.1% - the first decline since the introduction of the GST in 1991. With the exception of limited-service restaurants, all sectors should see improved sales in 2004.

Source: CRFA's Foodservice – Market Review And Forecast 2004

Many of the factors that restrained demand in 2003 – are expected to dissipate in 2004. Following solid gains in 2003 – the result of unit expansion and increased demand for take-out and delivery during the SARS crisis – demand at limited-service restaurants is expected to moderate.

SALES TRENDS FOODSERVICE – NATIONAL/REGIONAL

	1998	1999	2000	2001
Total	26,993,197	28,143,902	30,244,490	32,231,083
Full service restaurants	12,878,271	13,283,536	14,331,302	15,671,315
Limited service restaurants	10,146,263	10,583,301	11,134,923	11,625,037
Foodservice contractors	1,555,053	1,604,505	1,877,359	1,956,154
Social and mobile caterers	608,343	634,231	690,550	697,712
Drinking places	1,805,266	2,038,328	2,210,56	2,280,865

*Source: Statistics Canada, Restaurant, caterer and tavern statistics, annual total
(Dollars unless otherwise noted x 1,000)*

MARKET SUMMARY:

OVERVIEW: CONSUMER

CONSUMPTION: FRESH AND FROZEN PER CAPITA USE ON THE RISE

In 2001, Canadian consumption of fresh vegetables stood at 65.4 kg per person, 2.7% above 2000 and up over 7% from 1992. Major factors contributing to the continuing strong consumption pattern were the growing use of fresh-cut products, pre-packaged salads and other processed products, both in the food service industry and grocery stores, as well as access to a wider variety of imported produce throughout the year. Lettuce continues to be the most popular vegetable among consumers, accounting for 17% of total fresh vegetable consumption. Together with onions, tomatoes and carrots, they make up 54% of Canada's fresh vegetable diet (excluding potatoes). In 2001, frozen vegetable consumption was 5.55 kg per person up 4% from 2000 and up 28% from 10 years ago. Canned vegetables and vegetable juice consumption was 12.59 Kg per person, a figure which has not changed much in the past 10 years. Additionally, the **changing demographics and publication of scientific research relating diet to reduced risk of disease are fueling a trend to healthier eating**. As a result, new partnerships and marketing strategies are being forged, such as that between the Canadian Produce Marketing Association (CPMA), Canadian Cancer Society and the Heart & Stroke Foundation of Canada which uses scientific evidence to advocate eating 5 to 10 servings of vegetables and fruit per day as part of a healthy diet that can help reduce the risk of cancer, heart disease and stroke. Considering the forecasts for a declining rate of population growth in Canada, producers will need to place more emphasis on export markets and focus on growing specialty markets if production remains at current levels or increases. In the longer term, as world population begins to stabilize and decline, further adjustments will be necessary.

CONSUMPTION OF FRESH VEGETABLES IN CANADA

VEGETABLE	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	02/011
Asparagus	0.4	0.42	0.33	0.28	0.22	0.25	0.26	0.31	0.35	0.36	2.8
Beans	0.95	0.83	0.9	0.85	0.74	0.76	0.8	0.71	0.8	0.8	0
Beets	0.35	0.32	0.31	0.32	0.29	0.3	0.29	0.28	0.32	0.36	12.5
Broccoli	3.44	3.23	3.18	3.15	3.26	3.23	3.12	3.18	3.07	3.12	1.6
Cabbage	5.13	5.19	4.91	5.64	5.33	5.12	5.46	5.19	4.88	4.26	-12.8
Carrots	9.47	9.04	9.65	7.3	8.7	7.42	8.79	7.52	7.76	7.59	-2.1
Cauliflower	2.43	2.14	2.32	2.13	2.16	1.82	1.86	2.13	2.05	2.21	7.8
Celery	4.22	4.18	4.39	4.06	3.81	3.69	3.63	3.66	3.37	3.38	0.3
Corn	4.02	4.05	3.45	3.38	3.9	3.28	3.89	3.34	2.71	2.86	15.0
Cucumbers	3.19	3.11	3.26	3.14	3.47	3.34	3.78	3.63	3.83	4.24	10.8
Leeks	0.1	0.19	0.19	0.2	0.2	0.19	0.2	0.2	0.22	0.22	0
Lettuce	10.46	10.21	9.79	9.46	9.36	10.26	10.81	10.63	10.29	11.05	7.4
Mushrooms	1.59	1.61	1.66	1.8	1.51	1.74	1.53	1.76	1.99	2.06	3.5
Onions	6.8	9.16	6.48	8.2	8.31	7.78	8.09	7.79	8.13	8.16	3.7
Parsnips	0.08	0.21	0.2	0.18	0.14	0.12	0.12	0.12	0.11	0.12	9.1
Peas	0.27	0.25	0.22	0.22	0.2	0.21	0.21	0.23	0.22	0.24	9.1
Peppers	2.53	2.73	2.92	2.87	3.2	3.25	3	3.03	3.22	3.23	0.3
Rutabagas	2.19	2.1	2.48	1.95	1.97	2.12	1.97	1.86	1.47	1.23	16.3
Tomatoes	6.94	7.66	7.56	7.64	7.36	7.43	6.84	7.52	7.63	8.3	8.8
ALL VEGETABLES	61	67	66.6	66	67.4	65.7	66.1	65	63.7	65.4	2.7%

Source: Statistics Canada, *Estimate Notes: (1) Percent change 2002 from 2001 (2) Includes vegetables not listed above but excluding potatoes

MARKET SUMMARY:

OVERVIEW: AGRICULTURE

Source: 2002/2003 - OVERVIEW OF THE CANADIAN HORTICULTURE INDUSTRY, Agriculture and Agri-Food Canada and 2002-2003 CANADIAN VEGETABLE SITUATION AND TRENDS, Agriculture and Agri-Food Canada

CANADIAN AGRICULTURE IN CONTEXT

The agriculture and agri-food sector is export-oriented – in 2001, 50% of the total primary production was exported directly or indirectly in the form of processed goods. The sector contributes \$5-\$7 billion to Canada's trade balance annually, accounting for 12% of the total Canadian trade surplus. There is a general trend toward an increasing scale of operation across the agri-food system. Food stores in Canada are consolidating and average sales per store are increasing over time. Advances in technology and farming practices have contributed to a consolidation of farms.

AGRICULTURE POLICY FRAMEWORK

The Government of Canada and the provincial and territorial governments are working with the agriculture and agri-food industry to develop an architecture for agricultural policy for the 21st century. The objective is for Canada to be the world leader in food safety, innovation and environmentally responsible production. To realize this vision, governments have agreed in principle on an action plan for an agricultural policy framework composed of five elements: food safety and food quality, environment, innovation and renewal, business risk management and international issues.

Global agriculture has experienced a radical transformation in the latter half of the 20th century and the pace of change will quicken in the years to come. Advances in technology and productivity improvements have led to a sustained, long-term decline in most commodity prices. Increased international competition has contributed to this decline, particularly in recent years. Domestic support payments, particularly those in the United States and the European Union, also lower prices. More importantly, increased international competition will continue to push prices down, regardless of the level of government support. For example, in several major commodities, low-cost products are expanding production and capturing global market share with low levels of government support.

Success will also be determined by the ability of governments and the industry to both adapt to and exploit today's market realities.

MARKET SUMMARY:

OVERVIEW: AGRICULTURE

CANADIAN HORTICULTURE IN CONTEXT

Nearly 80% of the horticulture production is concentrated in the provinces of Ontario, British Columbia and Quebec.

Floriculture remains the largest horticultural category in value in 2002 while potatoes remain the largest single crop in horticulture (edible). The horticulture industry has moved from primary production to value-added production over the years. The most significant increases were reported in the greenhouse tomato industry (Canada is the first supplier to the U.S.), the berry industry, and the French Fry industry (Canada became the third largest producer in the world). Production values for most major horticultural crops increased in 2002, as some commodities suffered losses.

PRODUCTION TRENDS AND STRUCTURE OF INDUSTRY

Advances in technology and farming practices have contributed to a consolidation of farms. From 1981 to 2001, the total number of farms (horticulture and greenhouse) declined by 18%, from 36,157 to 29,777 farms. This trend is similar to other agriculture production. Many farmers decided over the years to diversify their production to more value-added crops such as berries and greenhouse vegetables. The acreage of all farms increased by only 1% a year over the last 20 years but area in greenhouse and berry farms increased by 8.5% and 5% a year respectively over the same period. On the other hand, tree fruit and vegetable farms decreased respectively by 36% and 26% from 1981 to 2001, as the acreage decreased by 24% for tree fruit production and increased by 14% for vegetable production.

NUMBER OF FARMS AND AREA IN CANADA

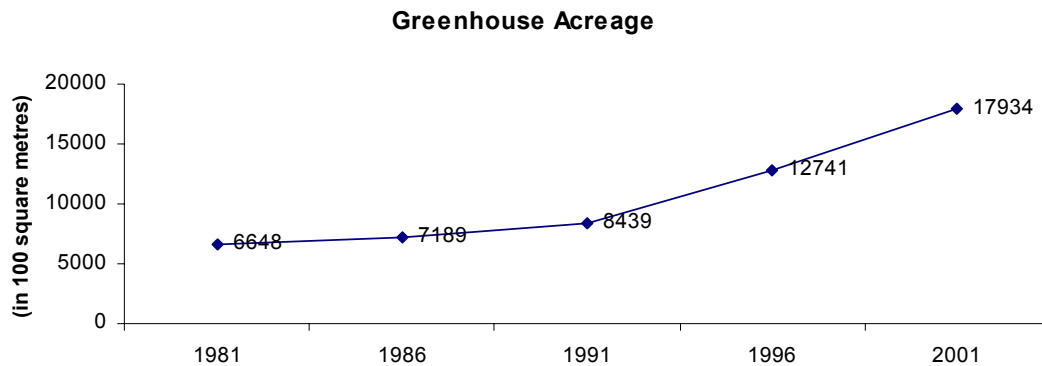
	1981	1986	1991	1996	2001	2001/19961
NUMBER OF FARMS						
Berries/Grapes	7,471	7,675	7,175	8,029	7,903	.02%
Tree fruits	9,348	9,813	8,328	8,282	5,974	- 28%
Vegetables1	13,208	11,758	10,708	11,440	9,829	- 14%
Greenhouse2	6,130	4,874	4,986	6,422	6,071	- 5%
TOTAL	36,157	34,120	31,197	34,173	29,777	- 13%
ACREAGE (IN HECTARES)						
Berries/Grapes	31,458	40,470	45,759	57,523	69,165	+ 20%
Tree fruits	46,525	45,846	45,869	41,668	35,339	- 15%
Vegetables1	117,216	116,573	122,594	127,697	133,851	+ 5%
Greenhouse2	665	719	844	1,274	1,793	+ 41%
TOTAL	195,864	204,608	215,066	228,162	240,148	+ 5%

1 Without greenhouse farms 1 % CHANGE 2001 OVER 1996 Source: Statistics Canada

2 including vegetable and nursery farms

MARKET SUMMARY:

OVERVIEW: AGRICULTURE



Source: 2002/2003 - OVERVIEW OF THE CANADIAN HORTICULTURE INDUSTRY, Agriculture and Agri-Food Canada

Ontario has over half of the cultivated vegetable area in Canada, while Quebec has 33%. In 2002, preliminary Statistics Canada data reports cash receipts from vegetable (excluding potatoes) farming operations (excludes receipts from risk management and disaster programs) were \$1.43 billion, up 2.4% from revised 2001 figures and up 18% from the 5-year average. Ontario accounted for about 52% of the total. Vegetable farm cash receipts accounted for 29% of the \$5 billion in horticultural sector cash receipts from farming operations.

According to the 2001 Census of Agriculture released in May 2002 (see Table 1), area planted to vegetables increased 4.8% between 1996 and 2001 with 9,829 farms reporting an all-time high of 134,000 hectares. Beans (green or wax), once the fifth most common, now rank third behind sweet corn and green peas, with 31.2% more area than in 1996. Sweet corn declined 6.3% since 1996, although it is still the most common vegetable, with 26.5% of all vegetable area. The top four vegetables grown in Canada - sweet corn, green peas, beans and tomatoes - accounted for over half of all vegetables grown (excluding potatoes). There were 9,829 vegetable farms in 2001, representing 4 % of total farms in Canada, down from 11,440 farms in 1996, but the average area per farm increased to 14 hectares from 11 hectares. Over 60% of Canadian vegetable farms are in Ontario and Quebec with Quebec being home to the largest averaging 21 hectares per farm.

MARKET SUMMARY:

OVERVIEW: AGRICULTURE

Source: 2001 CENSUS OF AGRICULTURE NUMBER OF VEGETABLE FARMS AND AREA BY REGION (EXCLUDING GREENHOUSE)

PROVINCES	1981	1986	1991	1996	2001	2001/1996
NUMBER OF FARMS						
British Columbia	1,249	1,364	1,532	1,916	1,802	-6%
Prairies	843	874	951	1,189	1,038	-13%
Ontario	6,202	5,290	4,486	4,622	3,938	-15%
Quebec 3,521	3,015	2,634	2,505	2,114	-16%	
Atlantic	1,393	1,215	1,105	1,208	937	-22%
Canada	13,208	11,758	10,708	11,440	9,829	-14%
AREA IN HECTARES						
British Columbia						
Prairies	6,422	5,467	6,779 7,987	8,194	3%	
Ontario	61,609	62,340	62,521	64,131	68,856	7%
Quebec	32,544	32,804	36,575	40,313	43,501	8%
Atlantic	8,774	8,392	8,443	8,151	6,022	-26%
Canada	117,216	116,573	122,594	127,697	133,851	4.8%

Source: Statistics Canada (1981 to 2001 Census of Agriculture)

FIELD GROWN VEGETABLES: PRODUCTION AND FARM GATE VALUE

The 2002 Canadian preliminary field grown marketed vegetable production (fresh & processing) was 1.81 million metric tonnes (MT), down 10% from revised 2001 figures and 11.8% below the 5-year average. Total farm gate value (FGV) was down 2.7% to \$572 million with 75% of the value coming from the fresh market. Based on production volume, 54% of all vegetables produced (excluding potatoes) were for processing compared to 49% in 1993. Seventy-five per cent of the sweet corn produced, 97% of the peas, 82% of the beans and 95% of the field tomatoes were sold to processors. The average price at the farm gate was 51¢/kg for vegetables destined for the fresh market, and 15¢/kg for vegetables destined for processing, up from 43¢ and 14¢ respectively in 2001.

In 2002, the marketed production of fresh market vegetables was 834,000 MT with a farm gate value of \$429 million, down 19% in volume and 4% in value from 2001 due to reduced planting with the impact on value mitigated by better prices. Farm gate value was down for most of the major fresh market vegetables except corn and broccoli with the latter posting a 23% gain from 2001 and 13% against the 5- year average. Overall, FGV for fresh market vegetables was up 4% when compared to the 5-year average but production remained 18% behind the 5-year average.

In 2002, the marketed production of processing vegetables was 978,000 MT with a farm gate value of \$143 million, down about 2.5% in volume from 2001 but with about the same value, reflecting about a 1% increase in the average price at the farm gate. Production declined significantly for green peas (down 28%) with a corresponding drop in FGV, while production of carrots was up 56% and 62% in value.

MARKET SUMMARY:

OVERVIEW: AGRICULTURE

For Ontario growers, 2002 was one of the toughest years on record, mainly due to inclement weather conditions that led to smaller yield and affected crops. Tomatoes and sweet corn were affected by cold temperatures in May, but tomatoes came through well in the end, producing the second largest crop on record. Peppers, pumpkins and squash and corn were affected by extreme summer heat. Cole crops were also hurt with cauliflower seeing as much as 40% reductions in yield. Onions suffered due to endless heat and dry soil conditions but irrigated crops did well. Carrots did well, as they are not as affected by dry weather as other crops.

Quebec growers were also affected by dryness, especially in the south-west region where some onion fields were not harvested because of poor yield and quality.

MAJOR FIELD GROWN VEGETABLES MARKETING FARM AND RETAIL (FRESH MARKET)

VEGETABLES	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002*	02/01
FARM GATE VALUE (\$ MILLION)												
Carrots	64	61	68	59	57	59	61	56	41	52	42	-18.5
Lettuce	37	33	32	36	52	50	36	38	38	46	39	-13.8
Cabbage	30	33	33	36	34	34	39	33	34	42	35	-16.0
Dry Onions	35	48	34	37	17	41	51	48	45	48	34	-29.3
Sweet Corn	41	37	39	39	40	34	36	32	27	31	33	3.8
Broccoli	n/a	22	27	27	25	25	26	24	24	22	27	23.4
TOTAL	257	322	358	434	406	423	408	408	381	445	429	-3.6
PRODUCTION VOLUME ('000 METRIC TONNES)												
Carrots	240	253	248	208	246	212	248	221	203	224	141	-37.7
Lettuce	70	56	63	60	92	96	84	81	64	88	78	-11.1
Cabbage	129	131	132	139	140	126	152	131	143	134	105	-21.9
Dry Onions	120	150	123	156	159	155	165	164	169	174	119	-31.4
Sweet Corn	78	81	82	98	90	72	96	73	53	64	68	5.5
Broccoli	n/a	28	33	32	34	33	29	31	28	24	28	14.1
TOTAL	645	816	864	1,058	1,150	1,040	1,044	1,007	945	1,026	834	-18.8

Source: Statistics Canada publication 22-003-XIB * Preliminary 1 % Change 2002 from 2001
Excludes greenhouse vegetables, mushrooms and potatoes

MARKET SUMMARY:

OVERVIEW: AGRICULTURE

DOMESTIC FIELD GROWN VEGETABLE PRODUCTION (FRESH AND PROCESSING) BY PROVINCE

PROVINC E	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002*	02/01 ₁
FARM GATE VALUE (\$ MILLION)											
British Columbia	38.2	42.8	49.8	51	47.3	49.8	48.8	44.7	50.6	40.7	-19.6
Prairies	28.7	30.6	40.3	24.4	27.2	27.3	18.9	24.3	25.2	10.2	-59.5
Ontario	242.8	249.4	261.6	230.1	229	249.1	248.3	224.3	260.8	271.4	4.1
Quebec	168.1	173.4	182.5	195.2	206.4	197	207.4	199.2	205.4	201.7	-1.8
Atlantic	26.1	30.2	27.8	27.8	21.2	35.6	27.6	22.4	22.1	18.5	-16.2
Canada₂	503.9	526.4	562	528.5	531.1	558.8	551	514.9	564.1	542.5	-3.8
CULTIVATED AREA ('000 HECTARES)											
British Columbia	6.1	7.4	6.5	6.5	5.5	5.9	5.9	6.1	6.9	5.7	-17.4
Prairies	5.8	7.1	7.5	6.4	4	7.2	5.8	6	6.2	4.9	-20.0
Ontario	52	57.5	56.2	60.3	60.3	57.3	60.6	62.2	67.7	62	-8.4
Quebec	31.5	35.5	33.5	38.1	39.4	40.6	39	40.2	43.1	40.1	-7.0
Atlantic	3.8	4.4	5.3	5.1	4.9	7.8	6	3.8	4.6	3.9	-15.2
Canada₂	99.2	111.9	109	116.4	114.1	118.8	117.3	118.3	128.5	116.6	-9.2

Source: Statistics Canada

Excludes greenhouse vegetables, mushrooms and potatoes

* Preliminary Notes

MAJOR GREENHOUSE VEGETABLES (TOMATOES, CUCUMBERS, PEPPERS AND LETTUCE): PRODUCTION DOWN AND VALUE UP IN 2002

In 2002, Canadian major greenhouse vegetable production was estimated at 349,496 MT, worth \$609 million, a decrease of 5% in volume and an increase of 3% in value from 2001. The decrease in production may have occurred due to higher fuel costs in 2002, resulting in fewer months of operation on average. Expansion of the greenhouse tomato industry is the main factor contributing to consistent increases over the past few years. New varieties of peppers, cucumbers, lettuce and tomatoes including "on the vine" types in association with improved crop management techniques also helped stimulate expansion. Increases in energy costs have contributed to overall slowed growth in the greenhouse sector. Greenhouse growers (including non-vegetable growers) spent \$219.4 million on fuel last year, up 5% from 2001. This increase followed a large 23.4% increase the previous year. Fuel expenses represented 22% of total greenhouse expenses in both 2001 and 2002 versus 19% of expenses in 2000.

According to Statistics Canada 2002 preliminary data, Ontario greenhouse tomato production increased by 4% to 149,606 MT and its value was up 4% to reach \$217 million. Greenhouse vegetable sales in British Columbia increased 13% to \$184 million from 2001. In Quebec the increase was 9% to \$63 million, while Ontario showed a 3% decline to \$327 million. Nationally, greenhouse vegetable production decreased by 5% in 2002 compared to increases of 17% in 2001 and 15% in 2000.

MARKET SUMMARY:

OVERVIEW: AGRICULTURE

GREENHOUSE VEGETABLE PRODUCTION AND FARM GATE VALUE

VEGETABLE	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002*	02/011
FARM GATE VALUE (\$ MILLION)											
Tomatoes	61.8	63.9	81.5	115.0	140.2	213.5	255.9	287.7	349.8	384.9	10
Cucumbers	43.8	43.9	47.2	63.8	64.0	107.0	117.4	129.9	144.9	110.6	-23
Peppers	15.8	12.6	16.4	24.7	43.6	34.4	43.0	61.2	64.5	78.7	22
Lettuce	8.0	11.1	9.0	7.3	10.4	12.9	13.1	15.0	24.9	24.8	-
Other	7.5	6.9	10.9	7.6	11.4	9.2	9.1	10.9	7.4	10.3	39
TOTAL	137.0	138.6	165.1	218.5	269.6	376.9	438.5	504.7	591.5	609.3	3
PRODUCTION ('000 METRIC TONNES)											
Tomatoes	32.8	32.9	41.9	62.6	78.1	116.0	158.0	182.4	208.4	217.7	5
Cucumbers	40.2	43.1	42.2	56.5	60.6	82.2	89.7	100.6	115.1	89.1	-23
Peppers	5.2	3.5	5.1	7.1	12.4	9.8	12.4	17.5	21.0	24.7	18
Lettuce	8.4	12.3	8.3	8.8	9.3	13.0	14.6	15.5	23.9	17.9	-25
TOTAL	86.6	91.8	97.5	135.0	160.4	220.9	274.7	316.0	368.4	349.4	-5

Source: Statistics Canada * Preliminary 1 % Change 2002 from 2001

GREENHOUSE VEGETABLE PRODUCTION BY MAJOR PRODUCING PROVINCE (2002*)

VEGETABLE	QUEBEC	ONTARIO	BRITISH COLUMBIA	CANADA
FARM GATE VALUE (\$ MILLION)				
Tomatoes	34.1	216.6	120.8	384.9
Cucumbers	3.6	74.5	15.4	110.6
Peppers	0.1	32.4	43.9	78.7
Lettuce	21.4	1.1	1.7	24.8
Other	3.4	2.8	2.5	10.3
TOTAL	62.6	327.4	184.3	609.3
PRODUCTION ('000 METRIC TONNES)				
Tomatoes	13.2	149.6	49.7	217.7
Cucumbers	2.9	59.4	11.6	89.1
Peppers	0.0	10.9	13.1	24.7
Lettuce	15.0	.6	X	17.9
TOTAL	31.1	220.5	74.4	349.4

Source: Statistics Canada X-confidential * Preliminary

According to the 2001 Census of Agriculture, the greenhouse industry increased area under cover by more than 40% since 1996 to almost 18 km². Ontario accounts for 50% of the total area under cover, up from 45% in 1996. Greenhouse vegetables account for 30¢ out of every dollar of revenue to greenhouse growers and flowers account for 70¢. These proportions have remained relatively stable for the past few years. In terms of area of production, greenhouse vegetables account for 43% and are increasing their share faster than flowers. Consumers have become used to having fresh produce year-round and are willing to pay more for it.

MARKET SUMMARY:

OVERVIEW: AGRICULTURE

FRUITS

In 2002, the value of all Canadian fruit, including apples, tree fruit and berries, amounted to \$517.1 million, a decrease of less than 1% from 2001. Within the overall fruit category, the berry sector accounted for the largest percentage of value with 54.5%, followed by apples with 31.2%, and tree fruits with 14.1%. The area of production of apples and most tender fruits has been decreasing over the past five to ten years. However, new technology and pruning practices have allowed producers to increase tree densities and therefore production. There has been a renewed interest in sweet cherries resulting from Canadian research, which has produced larger and later maturing fruit which demand excellent prices in the marketplace. Within the berry category, blueberries and cranberries have witnessed increased production in response to positive health claims, but prices have weakened in the past few years due to oversupply situations. Grape area continues to expand and has increased over 40% in the last five years, driven primarily by the demand for high quality *Vinifera* grapes for wine production.

VEGETABLES (INCLUDING FRESH AND GREENHOUSE)

In 2002, vegetable (excluding potatoes and greenhouse) cultivated area decreased by 8.6% compared to 2001 at an estimated 119,968 hectares of which 96.2% were bearing. The estimated area harvested for processing vegetables declined almost 6 % to 60,096 hectares in 2002, while area harvested with vegetables destined for the fresh market decreased by 8.5% to 55,023 hectares. Ontario has over half of the vegetable area in Canada, while Quebec has 33% followed by British Columbia with about 5%. Corn is the largest crop with 31,572 hectares of bearing area, 58% of it in Ontario and about two thirds of the total destined for processing. Peas, beans and tomatoes for processing were the next largest crops, followed by fresh market carrots and onions. Lettuce, onions, tomatoes and carrots account for over 50% of fresh consumption (excluding potatoes).

POTATOES (INCLUDING FRESH, SEED AND PROCESSED)

The potato is the most important vegetable crop in Canada, accounting for 63% of all vegetable farm cash receipts or \$952 million in 2002. The Canadian production at 4.65 million metric tonnes (MT) was a new record, up 8% from the 5 previous year average, up 10% from 2001 due to return to normal yields in Atlantic provinces and to a 2% increase in the Canadian area harvested. Yields averaged 27.29 MT / ha, up 8% from last year. The production was concentrated in PEI (29%), Manitoba (18%), Alberta (15%) and New Brunswick (15%). In 2002, 175,900 ha, were planted, a new record, and 170,200 ha were harvested. Regions, and individual farms, experienced cold and overly wet conditions in the spring, drought conditions in the summer, and very cold weather, frosts and snow in the harvest period. In 2001-02, Canada's total exports of potatoes (fresh, processed and seed) were \$997 million, while imports were \$314 million for a net positive trade balance of \$683 million. In 2001-02, 738,000 MT of frozen French fries were exported for a value of \$738 million, an increase in volume of 16% over last year due to strong US demand.

MARKET SUMMARY:

OVERVIEW: VALUE-ADD

PROCESSING SECTOR

The Canadian fruit and vegetable canning, pickling and drying industry has undergone significant change during the last two decades in response to changing consumer demand for new and different products and to the evolution of a more open trading environment. Following the implementation of the Canada-United States Free Trade Agreement (FTA) in 1989, the industry underwent a period of rationalization and specialization resulting in fewer plants and products but increased production. Most remaining firms, including both multinational enterprises (MNEs) and small to medium-sized companies (SMEs), also modernized equipment and developed training programs in response to the pressures of globalization, changes in retail distribution requirements and consumer preferences.

FRESH-CUT VEGETABLES

Fresh cut vegetables continue to grow in popularity highlighting the consumers' desire to have nutritious, ready-to-eat, quick-preparation-time style products. The Canadian Food Inspection Agency (CFIA) has developed a Code of Practice for Minimally Processed Ready-to-Eat Vegetables. In addition, the CFIA has developed a draft Code of Practice for the Hygienic Production of Sprouted Seeds. New technologies for the preservation and safety of fresh cut products continue to be developed to provide high quality fresh cut fruits and vegetables for consumers.

ORGANIC AGRICULTURE

The Canadian organic sector has been growing steadily, as much as 20% per year by some estimates, and represents between \$700 million and \$1 billion in retail sales, according to industry sources. The number of certified producers has increased by 34% between 1999 and 2000. Approximately 80% of organic products sold in Canada are imported.

MARKET SUMMARY:

OVERVIEW: IMPORTS AND EXPORTS

TRADE: CANADA IS A NET IMPORTER OF FRESH VEGETABLES.

In 2002, Canada experienced a negative balance of trade of \$998 million for fresh vegetables (including greenhouse vegetables and mushrooms), a 10% increase compared to the \$905 million deficit in 2001. Seasonality is the largest factor contributing to our negative balance of trade in fresh vegetables. However, the value of fresh exports has increased about 2.8 times that of 1997, and is approaching 10 times the value of 10 years ago. The ratio of imports over exports has improved from 11.5:1 in 1992 to 2.5:1 in 2002 due, in large part, to increased exports of greenhouse vegetables and mushrooms as well as better marketing at home.

The United States accepts almost 98% of our fresh exports and provides 72% of our imports. Canadian exports of greenhouse vegetables to the US have increased sharply reflecting the expansion of the greenhouse vegetable industry in Canada. The exports of tomatoes and peppers (mostly greenhouse) represented 57% of the value of all fresh vegetable exports in 2002, followed by mushrooms (14%) and cucumbers (8%). In April 2002, The US International Trade Commission determined that imported greenhouse tomatoes from Canada have not materially injured the US industry, ending an antidumping investigation.

Duties of up to 71% on US tomatoes entering Canada came into effect March 25, 2002. The Canadian and US tomato industries have since reached an agreement in principle to end the dispute. US tomatoes account for over half the tomatoes consumed in Canada.

The U.S. dollar remained strong all through 2002, hitting record-high level in early 2002. Because of obvious climate conditions, Canadian imports are still reported high at \$5,769 million in 2002, an increase of 5% over 2001. The imports originated mostly from the U.S., Mexico, South America (Chile, Brazil, Columbia and Ecuador) and China (P. Rep.).

IMPORTS BY MAJOR COUNTRIES

COUNTRY	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	02/01
VALUE (IN \$CAN MILLION)												
United States	2128.9	2359.2	2388.0	2548.8	2546.1	2848.1	3085.9	3131.6	3322.6	3530.0	3625.1	2.7%
Mexico	103.5	131.7	144.3	192.7	206.0	218.2	251.9	239.3	245.7	285.6	318.3	11.4%
Chile	122.7	117.4	119.9	130.4	148.2	139.1	129.3	147.7	157.1	172.6	197.3	14.3%
Brazil	142.5	113.5	123.9	90.6	139.1	124.1	127.0	149.1	150.0	136.5	153.0	12.1%
ASIA	170.2	170.7	183.2	182.4	212.6	208.4	218.2	256.3	272.8	298.0	343.3	15.2%
Eur. Union	159.3	202.1	208.2	201.1	198.0	234.2	246.7	270.4	284.3	291.0	272.7	-6.2%
OCEANIA	70.6	67.0	56.	2 45.4	61.9	69.1	64.1	69.0	58.3	51.4	57.9	12.6%
Others	417.7	429.6	479	565.7	587.4	594.7	637.2	690.3	657.7	709.7	801.4	12.9%
TOTAL	3,315.4	3,591.2	3,702.7	3,957.1	4,099.3	4,435.9	4,760.3	4,953.6	5,148.5	5,474.8	5,769.0	5.4%

Source: Statistics Canada, World Trade Atlas * Preliminary data (1) % Change 2002 from 2001

MARKET SUMMARY:

OVERVIEW: IMPORTS AND EXPORTS

CANADA'S TEN MAJOR IMPORTED FRESH VEGETABLES

Produce	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002*	02/01 ₁
VALUE (\$ million)												
Lettuce	114.4	139.3	140.5	176.6	139.2	169.5	188.0	184.6	222.1	229.4	277.2	20.8
Tomatoes	151.9	147.8	151.1	160.8	159.1	183.1	200.5	179.1	209.3	216.3	231.6	7.1
Melons	52.0	57.1	59.7	65.0	107.5	116.1	136.9	139.5	140.3	161.5	171.8	6.4
Peppers	69.7	78.5	81.0	89.9	83.8	99.2	112.5	115.0	136.8	160.2	153.5	-4.2
Carrots	29.3	32.2	31.8	49.1	47.7	59.8	71.6	86.5	87.9	105.1	115.3	9.7
Onions	50.5	66.6	58.6	62.5	51.8	60.0	72.9	70.2	71.3	93.3	93.1	-0.2
Broccoli	49.9	58.2	59.2	64.0	60.6	67.9	66.1	60.4	73.1	70.4	83.4	18.5
Celery	36.1	48.2	36.8	52.5	33.2	45.7	40.9	39.1	58.9	54.1	52.9	-2.2
Cauliflower, Headed	34.2	37.3	37.1	37.1	38.2	35.8	37.3	38.6	44.1	44.1	52.0	17.9
Broccoli												
Cucumbers , Gherkins	26.5	30.1	29.5	32.3	31.0	31.3	32.8	32.1	35.0	40.5	41.9	3.5
Canada all vegetables	830.0	941.0	930.0	1,054	976.0	1,120.	1,253	1,244	1,406	1,535	1,673	9.0
VOLUME ('000 metric tonnes)												
Lettuce	255.7	257.8	235.3	237.4	237.0	245.5	259.7	265.9	279.9	282.8	323.9	14.5
Tomatoes	145.7	152.3	149.1	154.4	158.3	163.2	156.4	162.4	172.7	172.6	165.7	-4.0
Melons	85.6	89.0	92.3	99.5	232.8	243.4	246.5	279.4	275.5	261.8	308.4	17.8
Peppers	60.2	60.1	63.6	63.5	73.2	74.6	71.7	78.1	85.7	90.4	90.9	0.6
Carrots	71.3	76.6	67.2	80.5	84.6	96.0	101.2	109.8	113.4	123.4	144.7	17.3
Onions	109.2	138.5	116.8	120.2	113.9	126.6	118.4	134.2	133.6	156.4	157.5	0.7
Broccoli	79.7	81.3	75.7	81.3	80.2	81.1	76.1	77.6	75.4	76.5	78.7	2.9
Celery	95.0	93.3	91.1	87.1	87.9	86.7	87.8	87.0	86.0	85.8	90.9	5.9
Cauliflower, Headed	44.9	44.2	43.5	38.2	44.5	40.9	38.4	40.9	46.4	46.5	52.7	13.3
Broccoli												
Cucumbers , Gherkins	37.6	37.7	37.0	40.1	37.8	38.8	32.0	36.5	38.9	40.7	41.4	1.7
Canada all vegetables	1,297	1,347	1,283	1,325	1,373	1,428	1,439	1,526	1,579	1,618	1,759	8.7

Source: Statistics Canada, World Trade Atlas * Preliminary data (1) % Change 2002 from 2001

MARKET SUMMARY:

OVERVIEW: IMPORTS AND EXPORTS

IMPORTS OF FRESH VEGETABLES FROM TOP FIVE COUNTRIES (SORT BASED ON TOTAL OF LAST 4 YEARS)

COUNTRY	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002*	02/01 ₁
VALUE (\$ million)												
United States	671	742	719	796	716	840	917	924	1,062	1,130	1,202	6.4
Mexico	39	59	65	90	102	106	118	98	110	138	189	37
Netherlands	9	13	7	11	9	11	17	18	24	29	26	-10
Spain	7	10	12	14	10	16	22	17	21	21	24	15
China, Peoples Republic	2	2	3	6	7	7	9	11	12	9	9	0

Source: Statistics Canada

EXPORTS

Fresh Exports Remain Strong

In 2002, Canada exported 403,000 MT of fresh vegetables worth \$675 million and \$296 million of processed vegetable products (mainly tomato products and frozen and canned vegetables – figures exclude potato products). The 2002 fresh vegetable export value (\$675 million) represents a 56% increase over the five-year average, while exports of processed vegetables is 27% above the 5 year average. The 2002 average export price for all fresh vegetables was above 2001 by 8% at \$1.67/kg. The average export price of carrots gave back 3.3% of the 18% gain experienced in 2001 to average 48.2¢/kg and peppers declined by 7.4% to \$2.74/kg. The average export price improved 9.4% for tomatoes and moderately for most of the other major fresh vegetables except celery, which dropped 5¢/kg in modest volumes. In terms of average value over the past 4 years, fresh exports from Ontario represent 53% of total, BC 34% and Quebec 12%. Processed vegetable exports from Ontario represent 65% of the total, while Quebec accounts for 21% and BC 6%. The value of exports to offshore markets was \$15 million in 2002 down from \$19 million in 2001. Exports to Japan, primarily of mushrooms, accounted for 56% of the decrease.

Tomato ketchup leads Canada's five major exported processed vegetable products with about \$43 million in export sales, up 19% over 2001. Canned sweet corn at \$29.5 million, frozen mixed vegetables at \$24 million, pickles at \$18 million and frozen sweet corn at \$20 million round out the list.

CANADA – MEXICO TRADE RELATIONS

In January 2003, an American policy change allowing trucks from Mexico to move freely in the U.S. could allow Mexican produce to reach Canadian grocery stores faster and cheaper. There is still restriction to Mexican trucks entering the U.S. to a 32-kilometer limit, because of alleged safety hazards. The U.S. policy change came about as a result of a NAFTA panel ruling that the 32-km limit was illegal.

MARKET SUMMARY:

OVERVIEW: IMPORTS AND EXPORTS

CANADA – U.S. TRADE RELATIONS

The U.S. is Canada's most import agri-food trade partner. In 2001, two-way bilateral agri-food trade was \$28 billion, or 63% of Canada's total agri-food trade. U.S. agriculture exports are projected to a total of \$US57 billion in fiscal 2003, down \$US500 million from the August forecast. Smaller volumes and values are expected for horticultural products. Strong export competition and the continued strong U.S. dollar have dampened export prospects.

Title	CENTRAL CANADIAN IMPORTS
	HS 0701 - POTATOES - FRESH OR CHILLED
	HS 0702 - TOMATOES - FRESH OR CHILLED
	HS 0707 - CUCUMBERS AND GHERKINS - FRESH OR CHILLED
	HS 070310 - ONIONS AND SHALLOTS - FRESH OR CHILLED
	HS 070519 - LETTUCE, FRESH OR CHILLED -
	HS 070511 - CABBAGE (HEAD) LETTUCE - FRESH OR CHILLED
	HS 070490 - CABBAGES, KOHLRABI, KALE AND SIMILAR EDIBLE BRASSICAS NES - FRESH OR CHILLED
	HS 070960 - PEPPER OF THE GENUS CAPSICUM OR PIMENTA
	HS 070930 - EGGPLANT, FRESH OR CHILLED
	HS 070820 - BEANS, SHELLLED OR UNSHELLED - FRESH OR CHILLED
	HS 0709904 - SWEET CORN ON THE COB, FRESH OR CHILLED
	HS 7099902 – MARROWS, PUMPKINS AND SQUASH - FRESH OR CHILLED
	HS 080810 - APPLES - FRESH

Origin	NEW YORK
Destination	CENTRAL CANADA Quebec
Destination	CENTRAL CANADA Ontario
	Latest 5
Period	years
Based on	TONS

HS 0701 - POTATOES - FRESH OR CHILLED							
		1999	2000	2001	2002	2003	% increase 1999 - 2003
	NY	\$293,626	\$479,401	\$523,332	\$728,481	\$192,079	-34.58%

HS 0702 - TOMATOES - FRESH OR CHILLED							
		1999	2000	2001	2002	2003	% increase 1999 - 2003
	NY	\$ 1,791,803	\$3,646,268	\$4,409,919	\$433,951	\$260,181	-85.48%

MARKET SUMMARY:

OVERVIEW: IMPORTS AND EXPORTS

HS 070310 - ONIONS AND SHALLOTS - FRESH OR CHILLED

		1999	2000	2001	2002	2003
	NY	\$ 107,030	\$63,993	\$75,129	\$169,747	\$237,053

% increase 1999 - 2003
121.48%

HS 070490 - CABBAGES, KOHLRABI, KALE AND SIMILAR EDIBLE BRASSICAS NES - FRESH OR CHILLED

		1999	2000	2001	2002	2003
	NY	\$323,380	\$419,612	\$311,125	\$268,128	\$238,085

% increase 1999 - 2003
-26.38%

HS 070511 - CABBAGE (HEAD) LETTUCE - FRESH OR CHILLED

		1999	2000	2001	2002	2003
	NY	\$4,422	\$ -	\$14,175	\$12,582	\$9,718

% increase 1999 - 2003
119.76%

HS 0707 - CUCUMBERS AND GHERKINS - FRESH OR CHILLED

		1999	2000	2001	2002	2003
	NY	\$9,971	\$101,682	\$83,160	\$32,205	\$10,090

% increase 1999 - 2003
1.19%

HS 070820 - BEANS, SHELLED OR UNSHELLED - FRESH OR CHILLED

		1999	2000	2001	2002	2003
	NY	\$17,164	\$230,452	\$153,788	\$41,108	\$31,952

% increase 1999 - 2003
86.16%

HS 080810 - APPLES - FRESH

		1999	2000	2001	2002	2003
	NY	\$3,344,221	\$3,629,378	\$3,239,290	\$5,439,687	\$4,584,416

% increase 1999 - 2003
37.08%

HS 0709904 - SWEET CORN ON THE COB, FRESH OR CHILLED

		1999	2000	2001	2002	2003
	NY	\$53,021	\$39,562	\$184,774	\$61,054	\$1,994

% increase 1999 - 2003
-96.24%

HS - 70990902 - MARROWS, PUMPKINS AND SQUASH, FRESH OR CHILLED

		1999	2000	2001	2002	2003
	NY	\$118,659	\$20,994	\$66,941	\$52,866	\$963

% increase 1999 - 2003
-99.19%

MARKET STRUCTURE

RETAIL SUB-SECTOR

Source: 2002 State of the Industry Report, Cover, ACNielsen

RETAIL DOLLAR SALES

According to ACNielsen estimates*, grocery stores account for almost 75% of all cash register dollars that Canadians spend at retail on food and non-food items. The remaining 25% flows through other channels such as drug stores, mass merchandisers, warehouse clubs and convenience stores.

For the calendar year 2001, the categories in the ACNielsen data set represent \$34 billion in consumer expenditures at grocery retail, an increase of 7% of dollars over what was spent in 2000. Of this amount, approximately two-thirds (\$22.8 billion) is accounted for by perishables, and the rest (\$11.2 billion) by dry grocery goods and baby foods)

Perishables are also the faster-growing segment, up 8% in dollar value from last year, compared with 4% for dry grocery goods and baby food.

After Dairy products, Fresh Produce, as well as Fresh and Cured Meats and Poultry, the fastest growing segments within the perishables department, and are among the fastest-growing in the entire grocery stores. The sales of both these segments are up 9% over the previous calendar year.

Among key categories within the grouping, some of the fastest sales increases are reported by convenience foods and foods associated with changing perceptions and lifestyle.

**Data drawn from ACNielsen's MarketTrack service, and are estimates from the representative sample of grocery supermarkets and smaller grocery banners.*

KEY BUSINESS SEGMENTS

DOMINANT

Various perishable goods dominate the list of the largest, most purchased products on grocery shelves. The list of billion-dollar segments includes key staples of the Canadian diet:

CANADIAN STAPLES

Fresh Meats (sold by random weight)	\$4.4 billion
Fresh Vegetables	\$2.4 billion
Fresh Fruit	\$2.1 billion
Milk	\$1.6 billion
Flavoured Soft Drinks	\$1.5 billion
Natural Cheese	\$1.4 billion
Prepackaged Bread Products	\$1.2 billion

Together, these products account for more than 40% of food grocery sales.

MARKET STRUCTURE

RETAIL SUB-SECTOR

RETAIL OPERATIONS

In 2001, the grocery retail industry continued its positive growth, generating sales of \$63.6 billion. Overall, sales have outpaced the Canadian economy consistently over the past few years with growth of 4% compared to 1.1% GDP in 2001.

While total retail sales continue to grow steadily (22% from 1997 to 2001) total grocery is growing at a slower rate (14% from 1997 to 2001).

TOTAL FOOD VS RETAIL SALES GROWTH

Year				
1998	\$57,664,400,000	---	\$246,674,800,000	---
1999	\$58,889,300,000	2.1%	\$260,779,500,000	5.7%
2000	\$61,090,100,000	3.7%	\$277,033,100,000	6.2%
2001	\$63,651,600,000	4.2%	\$289,130,000,000	4.4%
2002	\$66,807,000,000	5.0%	\$306,366,000,000	6.0%

Statistics Canada

As such the grocery channel is trending gradual long-term declines in share of total retail dollars.

The broad range of retail channel choices for basic grocery supplies has intensified the competition for the consumer dollar and encouraged **CHANNEL BLURRING**. As a result, the grocery retail sector's share of total retail dollars has steadily declined to 22% in 2001 from 24% in 1997.

The demand for convenience items is growing with the rise of time-stressed, double working and single parent families. An area of opportunity has proven to be **foodservice**, which is growing slowly and steadily due to consumer demand.

A relatively new player is the grocery channel which has highly visible and convenient ready-to-eat food sections

Category Growth and Decline

Canada's aging population, increased health awareness and growing levels of families seeking convenience in a time-stressed life have resulted in a growing demand for healthy and convenient products.



The list of fastest growing categories today shows that consumers are buying products that save time and promote nutrition and health.

Recently, the grocery channel has been competing against the food service industry by offering convenient ready-to-eat food sections in order to meet consumer demand for convenience and one-stop shopping.

MARKET STRUCTURE

RETAIL SUB-SECTOR

FOOD CHANNEL SUB-SECTORS

SUPERMARKET:	A full-line, self-service grocery store with annual sales of CDN\$2 million or more.
SUPERSTORE:	A supermarket with a minimum of 30,000 square feet, generating CDN\$12 million or more in sales annually and offering an expanded selection of non-food items. Features specialty departments and extensive services.
MASS MERCHANDISER:	A combined supermarket and discount store selling a wide range of food and general merchandise. Stores generally average more than 150,000 square feet.
WHOLESALE CLUB STORE:	A membership retail/wholesale hybrid with a limited variety of products presented in warehouse-type atmosphere. These 90,000-plus square-foot stores typically feature a majority of general merchandise, as well as a grocery line dedicated to large size and bulk sales.
CONVENIENCE STORE:	A compact store offering a limited line of high-convenience items. Many sell gasoline and fast food. Store size averages 2,400 square feet.
INDEPENDENT:	<p><i>An operator with fewer than four retail stores.</i></p> <ul style="list-style-type: none"> ▪  VOLUNTARY GROUPS: Typically franchisees of larger chain banners, these independents operate in major or secondary wholesale-sponsored groups. These units benefit from volume purchases from sponsoring wholesaler. ▪  UNAFFILIATED INDEPENDENTS: Single unaffiliated operating units.
CHAIN:	<i>An operator of four or more retail stores.</i>

Canadian Grocer

Canada's food channel is a highly consolidated landscape, consisting of only two conventional national grocery retailers, a handful of conventional regional players, two mass merchandisers and one club warehouse format. Convenience chains are primarily regional, with the exception of the three largest gas companies, which operate gas convenience marts from coast to coast.

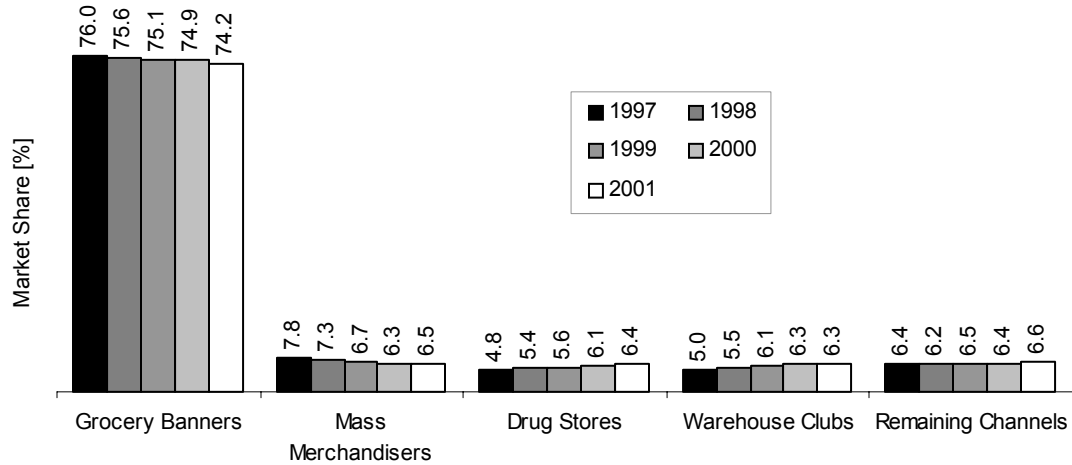
This intense consolidation is due in part to the emergence of Wal-Mart [mass merchandiser] and Costco [club warehouse], generating intense competition within the industry. The conventional grocery channel has been forced to react swiftly to meet the expanded grocery and fresh food items these new channels are offering to service the booming one-stop shopping trend. To remain strong, the conventional grocery channel consolidated in response.

While consolidation has helped the conventional channel remain strong, the unconventional channels are getting stronger. Between 1998 and 2002, the conventional grocery sub-sector lost three per cent market share, while the convenience sub-sector lost an extraordinary 21 per cent. At the same time, the club warehouse sector market share grew two per cent, while the mass merchandiser segment grew nine per cent.

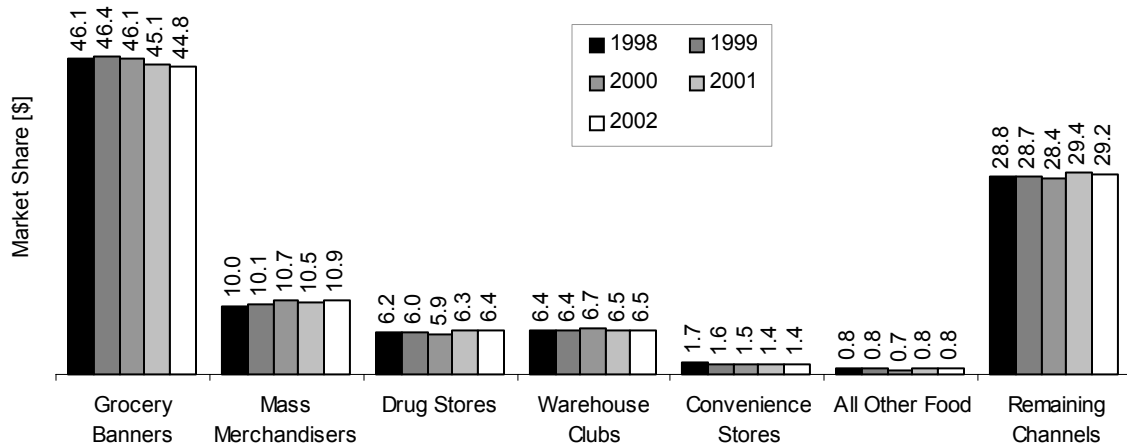
MARKET STRUCTURE

RETAIL SUB-SECTOR

SUB-SECTOR MARKET SHARE BY CHANNEL



SUB-SECTOR MARKET SHARE OF CONSUMER SPENDING – UPDATE THIS CHART



ACNielsen

MARKET STRUCTURE

RETAIL SUB-SECTOR

As non-traditional retailers pocket more and more consumer food dollars, grocery retailers are biting back by increasing their offerings to include general merchandise and extensive drug and beauty products. Some banners are even surpassing competitors in the one-stop-shopping pursuit by adding additional services, such as in-store banking and photo finishing. The convenience trend is driving a majority of retailers to increase ready-to-eat offerings, including prepared salads, chicken and sushi. These services are often not offered as a profit builder, but as a vehicle to drive traffic to stores.

SUB-SECTOR PENETRATION:

Grocery banners remain the most visited of food retailers, averaging 97 visits per household each year. Mass merchandisers average only 21.5 visits per household annually, but account for a higher dollar average spent per trip at \$46.50 compared with grocery at \$39.

Grocery banners also remain the highest sector for total dollars per household spent at \$3,801. While the warehouse club sector only generated \$1,156 per household and the mass merchandiser sector generated \$999, these two sectors are growing at significantly higher rates [six per cent and eight per cent, respectively] than the grocery sector [two per cent].

HOUSEHOLD PENETRATION, 2002

All Channels	100%	224.9	\$37.73	\$8483.82	\$100
Grocery Banners	100%	97.0	\$39.17	\$3801.04	\$44.8
Drug Stores	96.2%	21.4	\$26.40	\$563.91	\$6.4
Mass Merchandisers	93.0%	21.5	\$46.50	\$999.21	\$10.9
Convenience Stores	56.5%	16.8	\$12.41	\$207.81	\$1.4
Warehouse Clubs	48.0%	11	\$105.03	\$1,155.74	\$6.5
All Other Food	40.1%	7.0	\$25.86	\$180.46	\$0.8
Remaining Channels					\$29.2

ACNielsen

Chain share of total food sales increased 3.5 percentage points between 2000 and 2002, increasing from 57.2 per cent of total sales to 60.7 per cent. Total chain sales for 2002, which combine both grocery and convenience figures, increased 10 per cent over 2001, reaching nearly CDN\$37.5 billion. Within that total, it is estimated that convenience store sales increased to CDN \$3.8 billion from CDN\$3.4 billion in 2001.

Share of independent food sales has been declining, seen in a 2.9-percentage-point decrease between 2001 and 2002 alone. Since 1998, independent share has dropped 3.5 percentage points from 42.8 to 39.3 per cent. In 2003, it is forecasted to continue dropping, while chains are expected to continue increasing to 61.1 per cent.

MARKET STRUCTURE

RETAIL SUB-SECTOR

Interestingly, chain store market share across the country generates more than 65 per cent of

sales in every region, with the exception of Quebec, which only generates 33 per cent market share. Quebec consumers tend to shop daily and prefer the neighborhood format of store.

CHAIN VS INDEPENDENT MARKET SHARE [Supermarkets/Convenience]:

	[000s]	% of Total	[000s]	% of Total	[000s]	% Change
1998	\$30,514,198	57.2%	\$22,832,302	42.8%	\$53,346,500	3.3%
1999	\$31,281,476	57.4%	\$23,218,824	42.6%	\$54,500,300	2.2%
2000	\$32,636,765	57.2%	\$24,228,535	42.8%	\$56,592,300	3.8%
2001	\$34,051,113	57.8%	\$24,807,288	42.2%	\$58,858,400	4.0%
2002	\$37,459,492	60.7%	\$24,263,834	39.3%	\$61,723,326	4.9%
2003 [Forecasted]	\$39,560,887	61.1%	\$25,186,882	38.9%	\$64,747,469	4.9%

Canadian Grocer

Across the country, Ontario generates the most significant market share of food sales at 31 per cent, consistent with its population base. Quebec is close behind at 24 per cent; these two powerhouse provinces own more than 50 per cent market share throughout the entire country. Lagging behind is British Columbia and Northern Canada at 15 per cent.

REGIONAL MARKET SHARE [Supermarkets/Convenience]

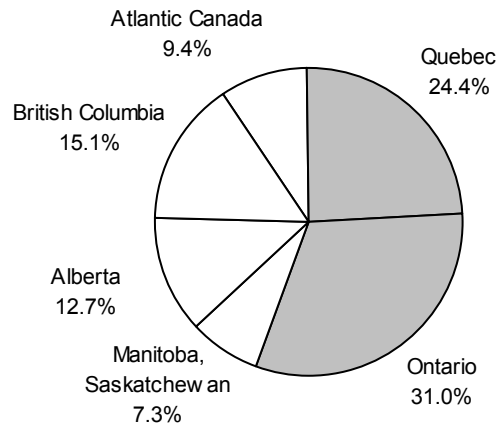
	Chain Stores			Independents				
	Units		Sales	Units		Sales		
	Grocery	Convenience	Combined Total [000s]	Voluntary Groups	Unaffiliated	Combined Total [000s]		
Atlantic Provinces	193	1,599	\$4,411,728	165	1,503	\$1,363,080		
Quebec	385	2,241	\$5,392,714	1,554	3,121	\$9,681,992		
Ontario	540	2,116	\$12,266,918	1,029	3,012	\$6,897,972		
Manitoba/ Saskatchewan	166	492	\$3,197,221	605	1,002	\$1,334,304		
Alberta	181	1,055	\$5,694,619	320	657	\$2,135,296		
British Columbia/ North Canada	326	839	\$6,496,292	233	814	\$2,851,190		
Canada	1,791	8,342	\$37,459,492	3,906	10,109	\$24,263,834	24,148	\$61,723,326
% of Total	7.4%	34.5%	60.7%	16.2%	41.9%	39.3%	100%	100%

Canadian Grocer

MARKET STRUCTURE

RETAIL SUB-SECTOR

REGIONAL GROCERY SALES, 2002



Canadian Grocer

SUPERMARKETS/SUPERSTORES, MASS MERCHANDISERS AND CLUB WAREHOUSE

Supermarkets remain the most predominant store format in Canada, with the top three conventional retailers generating 50-per-cent market share across all food sales; the top five retailers generate 63-per-cent market share.

This has come as a result of massive consolidation in the marketplace – first as a means to own the market; then as a response to the emerging mass merchandiser and club warehouse format arrival.

Employing a multi-format approach, the larger chain retailers diversify product choices among banners to enable them to strategically target specific demographics. While some banners focus on deep discounting or expanded product offerings outside traditional grocery, others focus on increasing fresh product and value-added services, such as ready-to-eat foods. Some, particularly smaller retailers, focus on remaining “neighbourhood driven,” offering top-line customer service to attract customers and retain loyalty. All are changing and enhancing strategies where possible to effectively compete in the new environment.

Furthermore, many chains are expanding their store sizes to the superstore format in an effort to offer one-stop shopping through a wider variety of products and services. In late 2003, for example, Loblaw Cos. Ltd. announced that all Loblaw's banner new builds and conversions moving forward would be in the superstore format to remain competitive against the growth of Wal-Mart.

MARKET STRUCTURE

RETAIL SUB-SECTOR

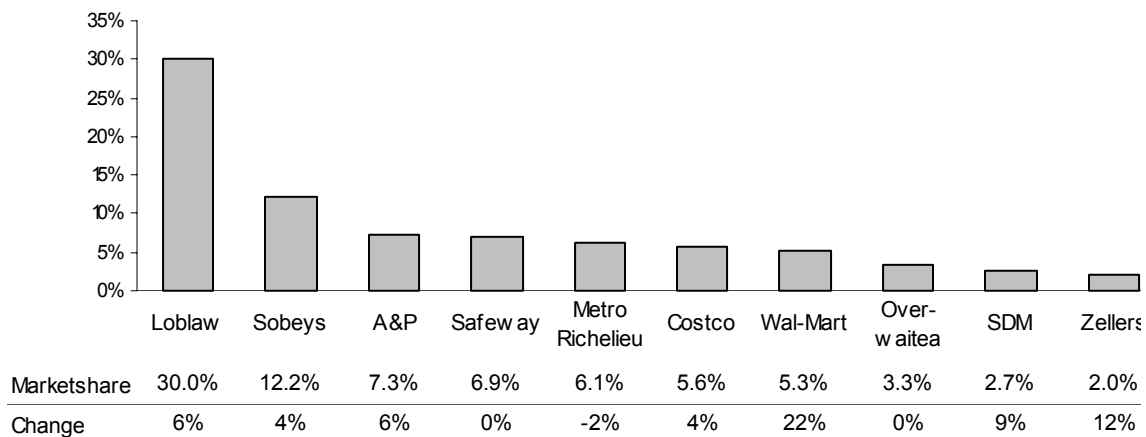
Loblaws banner superstores, like other superstore formats in the market, offer up to 25 per cent general merchandise and a wide variety of value-added services, such as photo finishing, fitness centres, dry-cleaning, gas bars, and the latest addition, medical clinics and self-scanning check-outs. In 2002 the average size of a Loblaws store was 48,900 square feet; that same year, it opened six new stores in Ontario averaging 120,000 square feet.

While many retailers are expanding banners and offerings, Sobeys Inc. plans to reduce its current number of banners to four or five, converting the majority of full-service and fresh-service food stores to the *Sobeys* banner across the country with the exception of Quebec, where stores will retain the *IGAextra* banner. Community food stores across Quebec, Ontario and Western Canada will operate under the *IGA* banner, while the discount format stores will retain the *Price Chopper* banner.

Interestingly, while the top three conventional grocery retailers are growing at a steady rate, the fourth and fifth-placed players are losing ground, likely due to the extraordinary growth seen by the next two players in line, Costco and Wal-Mart, which grew at four per cent and an astounding 22 per cent, respectively, in 2003 alone. Zellers, while last on the list of the top 10 players, showed significant positive growth of 12 per cent.

This is likely to be further compounded in 2004 by the arrival of Sam's Club, a club warehouse format owned by Wal-Mart. The first four Canadian stores will open in the fall of 2003. As many as 10 to 15 are expected to open in 2004. Wal-Mart is believed to be increasing its rate of expansion, with an expected 30 stores opening in 2004, marking the launch of its superstore format in the Canadian market.

CHAIN MARKET SHARE BY UNITS



MARKET STRUCTURE

RETAIL SUB-SECTOR

SUPERMARKETS/SUPERSTORES AND CHAINS:

LOBLAW COMPANIES LIMITED [LOCAL]	All Banners		\$23 B	1,697	Across Canada	Broker, Distributor, Direct
	Atlantic SaveEasy	SM		56	NB/NS/PEI/NF	
	Atlantic Superstore	SS		50	NS/NB/PEI	
	Dominion	SM		15	NF	
	Extra Foods	SM		90	BC/AB/SK/MB/ON/NWT	
	Fortinos	SS		18	ON	
	Loblaws	SM/SS		98	ON/QC	
	Lucky Dollar Foods	SM		102	BC/AB/SK/MB	
	Maxi	SM		85	QC	
	No Frills	SM		110	ON	
	Provigo	SM/SS		138	QC	
	The Real Canadian Superstore	SS		57	BC/AB/SK/MB/ON/YK	
	The Real Canadian Wholesale Club	SS		32	BC/AB/SK/MB/ON	
	Shop Easy Foods	SM		56	BC/AB/SK/MB	
	SuperValu	SM		29	BC/AB	
	Valu-mart	SM		71	ON	
	Your Independent Grocer	SS		54	ON	
	Zehrs Markets	SM/SS		58	ON	
	Cash & Carry and other banners	Various		578	BC/AB/SK/MB/ON	
SOBEYS INC. [LOCAL]	All Banners		\$9.7 B	1,326	Across Canada	Broker, Distributor, Direct
	Garden Market IGA	SM		82	AB/BC/SK/MB	
	IGA	SM		415	AB/BC/SK/MB/ON/QC	
	Food Town	SM		82	AB/NT/SK/MB/ON	
	Thrifty Foods	SM		2	SK	
	Price Chopper	SM		102	MB/ON/NB/NS/PEI/NF	
	Sobeys	SS		140	ON/NB/NS/PEI/NF	
	Foodland	SM		104	ON/NB/NS/NF	
	Knechtel	SM		43	ON	
	IGA Extra	SM		42	QC	
	Les Marches Tradition	SM		24	QC	

MARKET STRUCTURE

RETAIL SUB-SECTOR

SUPERMARKET/SUPERSTORE AND CHAINS:

RETAILER	PRIMARY BANNERS	TYPE	SALES [CDN]	NO	LOCATIONS	PURCHASING AGENT TYPE
CANADA SAFEWAY LTD. [FOREIGN]	Safeway	SM	\$5.5 B	210	BC/AB/SK/MB/ON	Broker, Distributor, Direct
METRO INC. [LOCAL]	All Banners		\$5.1 B	434	QC/ON; predominantly Quebec.	Broker, Distributor, Direct
	Metro	SM		251	QC	
	Super C	SS		49	QC/ON	
	Loeb	SM		43	ON	
GREAT ATLANTIC & PACIFIC COMPANY OF CANADA [FOREIGN]	All Banners		\$4.1 B	239	ON	Broker, Distributor, Direct
	A&P	SM/SS		88	ON	
	Dominion	SM		57	ON	
	Food Basics	SM		80	ON	
	Ultra Food and Drug	SM		5	ON	
	Barn	SM		9	ON	
OVERWATEA FOOD GROUP [LOCAL]	All Banners		\$2.0 B	103	BC/AB	Broker, Distributor, Direct
	Save-On-Foods	SM		65	BC/AB	
	Urban Fare	SM		2	BC/AB	
	Overwaitea	SM		21	BC	
	Cooper's Foods	SM		11	BC	
	PriceSmart	SM		3	BC	
	Bulkley Valley Wholesale	SM		1	BC	
CALGARY CO-OPERATIVE ASSOCIATION LIMITED [LOCAL]	Calgary Co-op	SS	\$730 M	18	AB	Broker, Distributor, Direct

MARKET STRUCTURE

RETAIL SUB-SECTOR

INDEPENDENT GROCERS:

In 2002 independent stores dropped in number from 15,299 to 14,015, representing a decrease of 8.4 per cent. Of this, unaffiliated store earning increased 0.9 per cent, while franchised store earnings decreased 0.4 per cent.

With the strength of the chain sector, unaffiliated independents find it challenging to procure at reasonable prices, coupled with the added constraint of differentiating themselves from the rest of the market.

RETAILER	PRIMARY BANNERS	TYPE	SALES [CDN]	NO	LOCATIONS	PURCHASING AGENT TYPE
THRIFTY FOODS [LOCAL]	Thrifty Foods	SM/SS	\$360 M	18	BC	Broker, Distributor, Direct
BUY-LOW FOODS [LOCAL]	All Banners		N/A	20	BC/AB	Broker, Distributor, Direct
	Giant Foods	SM		2	BC	
	Shop and Save	SM		2	BC	
	Buy-Low Foods	SM		14	BC/AB	
	Budget	SM		2	AB	
COLEMANS FOOD CENTRE [LOCAL]	Colemans Food Centre	SM	N/A	11	NF	Broker, Distributor, Direct
COMMISSO'S FOOD MARKETS LTD. [LOCAL]	Commisso's Food Markets	SM/SS	N/A	16	ON	Broker, Distributor, Direct
R. DENNIGER LTD. [LOCAL]	Denniger	SM	N/A	7	ON	Broker, Distributor, Direct
HIGHLAND FARMS INC. [LOCAL]	Highland Farms	SM	N/A	4	ON	Broker, Distributor, Direct
L&M FOOD MARKETS LTD. [LOCAL]	L&M Food Markets	SM	N/A	5	ON	Broker, Distributor, Direct
LONGO BROTHERS FRUIT MARKETS INC. [LOCAL]	Longo's Fruit Markets	SM	N/A	14	ON	Broker, Distributor, Direct
QUALITY FOODS [LOCAL]	Quality Foods	SM	N/A	8	BC	Broker, Distributor, Direct
RABBA FINE FOODS LTD. [LOCAL]	Rabba Fine Foods	SM	N/A	25	ON	Broker, Distributor, Direct
KITCHEN TABLE [LOCAL]	Kitchen Table	SM	N/A	10	ON	Broker, Distributor, Direct

MARKET STRUCTURE

RETAIL SUB-SECTOR

MASS MERCHANDISER:

WAL-MART CANADA INC. [FOREIGN]	Wal-Mart	MM	\$2.8 B	201	Across Canada	Broker, Distributor, Direct
ZELLERS INCORPORATED [LOCAL]	Zellers	MM	N/A	315	Across Canada	Broker, Distributor, Direct
NORTHWEST COMPANY [LOCAL]	ALL BANNERS		\$333 M	148	Across Canada; mostly in northern rural areas.	Broker, Distributor, Direct
	Northern	MM		135	Across Northern Canada	
	North Marts	MM		7	MB/SK/NF/NV	

CLUB WAREHOUSE:

COSTCO CANADA INC. [FOREIGN]	Costco	WC	\$3.6 B Food only	60	Across Canada	Broker, Distributor Direct

MARKET STRUCTURE

FOODSERVICE SUB-SECTOR

MARKET SHARE DEFINITION	
Full-service Restaurants (39%)	Licensed and unlicensed fine-dining, casual and family restaurants as well as restaurant-bars.
Limited-service Restaurants (28%)	Quick-service restaurants, cafeterias, food courts and take-outs and delivery establishments.
Social and Contract Caterers (6%)	Contract caterers supplying food services to airlines, railways, institutions and at recreational facilities, as well as social caterers providing food for special events.
Bars (5%)	Bars, taverns, pubs, cocktail lounges and nightclubs primarily engaged in serving alcoholic beverages for immediate consumption. These establishments may also provide limited food service.
Accommodation Foodservice (10%)	Foodservice in hotels, motels and resorts.
Institutional Foodservice (10%)	Foodservice in hospitals, residential care facilities, schools, prisons, factories, remote facilities and offices. Includes patient and inmate meals.
Retail foodservice (2%)	Department store cafeterias and restaurants
Other Foodservice (4%)	Vending, sports and private clubs; movie theatres, stadiums and other seasonal or entertainment operations.

The average Canadian household visited restaurants for a meal or a snack 11.3 times over a two-week period in 2003 – unchanged from 2002. Although the vast majority of visits are to quick-service restaurants, a higher average cheque size means full-service restaurants account for a higher share of the food dollar.

Source: CRFA's Foodservice – Market Review And Forecast 2004

MARKET STRUCTURE

FOODSERVICE SUB-SECTOR

While full-service restaurants account for only 26.5% of meal occasions, they account for 50.25%

increased their share of the foodservice market, growing from 8.0% of meal occasions in 1998 to 9.3% in 2003.

MENU TRENDS

Although the foodservice industry responds quickly to changing consumer tastes by introducing new and innovative menu products each year, the top-selling menu items do not change dramatically on a year-over-year basis. French fries and regular coffee have remained the most popular food and beverage items at Canadian restaurants over the past ten years. Since 1998, French fries have seen the largest decline in share of meal occasions while the popularity of coffee continues to grow.

TOP 10 FOODS

RANK IN 2003	FOOD CATEGORY	2003 SHARE OF OCCASIONS	CHANGE SINCE 1998
1	French Fries	21%	3.6%
2	Unsweetened Baked Goods	11%	1.6%
3	Hamburgers	11%	1.5%
4	Salads	10%	1.1%
5	Chicken	10%	0.6%
6	Pizza	9%	2.2%
7	Sandwiches	9%	0.2%
8	Sweetened Baked Goods	7%	0.7%
9	Desserts	5%	n.a.
10	Ice Cream/Frozen Yogurt	5%	0.2%

Source: CRFA Foodservice Facts 2004 (CREST/NPD Foodservice Information Group and CRFA)

MARKET STRUCTURE

FOODSERVICE SUB-SECTOR

Based on current economic projections, foodservice sales growth will improve in 2004, peak in 2005 and moderate in 2006 to 2008. Over the next five years, real foodservice sales will grow by an average of 1.9% annually, a slower pace of growth compared to the 3.2% average achieved over the past decade.

MARKET STRUCTURE

FOODSERVICE SUB-SECTOR

CANADA'S TOP 50 FOODSERVICE COMMERCIAL OPERATORS

RANK	COMPANY	REVENUE (\$ MILLIONS)		UNITS
		'98	'97	
1	McDonald's Restaurants of Canada Limited	1,911.0	1,816.9	1,085
2	TDL Group Ltd.	1,325.0	1,030.0	1,767
3	Cara Operations Limited	1,246.0	1,194.0	1,681
4	Tricon Global Restaurants (Canada) Inc.	1,167.0	1,130.0	1,520
5	Four Seasons Hotels and Resorts	920.0	791.5	43
6	Yogen Früz World Wide Incorporated	645.0	590.0	2,516
7	ARAMARK Canada Ltd.	550.0	535.0	1,450
8	Canadian Pacific Hotels	485.9	250.0	58
9	Subway Franchise Systems of Canada Ltd.	433.5	401.7	1,290
10	Burger King Restaurants of Canada Inc.	364.0	325.8	283
11	Wendy's Restaurants of Canada Inc.	348.0	316.0	267
12	Scott's Restaurants Inc.	346.3	341.5	404
13	A&W Food Services of Canada Inc.	341.0	323.0	525
14	Dairy Queen Canada Inc.	297.0	281.0	617
15	Second Cup Ltd.	283.0	283.0	354
16	Prime Restaurants Group Inc.	226.0	200.0	113
17	Keg Restaurants Ltd.	213.3	143.4	81
18	Les Rotisseries St-Hubert Ltée.	212.0	198.1	92
19	Department of National Defence	190.0	201.7	109
20	Sodexo Marriott Services Canada Ltd.	184.3	210.0	232
21	Boston Pizza Int.'l Inc.	170.4	155.0	110
22	Pizza Pizza Ltd.	165.0	130.0	330
23	Starwood Hotels & Resorts Worldwide Inc.	157.0	252.6	38
24	Kelsey's International Inc.	145.1	95.4	81
25	Allied Demecq Retailing International Canada Inc.	140.0	105.0	478
26	MR. SUB	139.0	130.0	551
27	Best Western International Inc.	138.1	122.7	157
28	Hudson's Bay Company	125.0	123.0	324

MARKET STRUCTURE

FOODSERVICE SUB-SECTOR

CANADA'S TOP 50 FOODSERVICE COMMERCIAL OPERATORS

RANK	COMPANY	REVENUE (\$ MILLIONS)		UNITS
		'98	'97	
29	Coffee Time Donut Inc.	122.0	115.0	317
30	SIR Corp	121.2	109.6	30
31	Darden Restaurants	121.0	130.0	40
32	Comac Food Group Inc.	118.1	106.6	308
33	Country Style Donuts	108.0	102.0	426
34	Starbucks Coffee Company	108.0	84.3	216
35	Restauronics Services Ltd.	105.0	107.0	500
36	White Spot Restaurants	103.0	95.0	48
37	Mike's Restaurants Inc.	102.9	104.0	113
38	Smitty's Canada Ltd.	100.0	113.0	111
39	Afton Food Group Ltd.	100.0	100.0	246
40	Northland Properties Ltd.	96.1	-	72
41	Pizza Delight Corp. Ltd.	95.0	73.0	198
42	O'Neill Hotels and Resorts Ltd.	95.0	85.0	52
43	Little Caesar's of Canada Inc.	91.1	88.5	165
44	Choice Hotels Canada Inc.	85.6	76.8	232
45	Arby's of Canada	75.5	32.0	119
46	Twincorp Inc.	73.0	30.0	80
47	The Spectra Group of Great Restaurants Inc.	70.6	71.1	74
48	The Great Canadian Bagel Ltd.	68.0	69.0	165
49	Sportscene Restaurants Inc.	66.7	65.2	41
50	Nickels Restaurants Inc.	60.0	-	42

REGIONAL OVERVIEWS

ONTARIO AND QUEBEC MARKETS

Although Ontario and Quebec are the largest markets in Canada they are very different in many respects. Canada is an officially bilingual country. Communication in Ontario for the most part is conducted in English, however, Quebec prefers communication in French, although, English can be used in conjunction with French.

Both markets are approachable however it is imperative that exporters are not only familiar with Canadian regulatory requirements [CFIA and Health Canada], but must also be familiar with regulatory requirements for each province as they are documented as provincial law.

Consumer trends are often quite different for each of the provinces in relation to the foods consumed, family lifestyle, religious and political beliefs. It is important to understand the nuances for each prior to entering both markets.

REGIONAL OVERVIEW: ONTARIO

ONTARIO FAST FACTS:

- 1 Approximately 39 per cent of the Canadian population resides in Ontario.
- 2 Ontario has the largest population of Canada, with 12.2 million people.
- 3 Bordering the province of Quebec and four of the Great Lakes, Ontario is close to the Northeastern and Midwestern United States.
- 4 Proximity to the U.S. means that Ontario shares a similar climate and geography, in addition to offering strategic business advantages - an affluent local customer base, a skilled workforce as well as an excellent quality of life.
- 5 Ontarians, in most years, can expect the province to be one of the fastest-growing regions in the advanced industrial world.
- 6 Toronto, Ontario's largest city, is a day's trucking away from the most prosperous markets in the United States.
- 7 A Liberal government presides in Ontario currently.

English is Ontario's official language, although French language rights have been extended to the legal and educational systems. There are entire communities where French is as easily spoken as English, thanks to their French-Canadian history.

Ontario's population growth has depended on immigration ever since the American Revolution sent Loyalists north to Canada. Even today, about half of the approximately 250,000 people who immigrate to Canada each year, choose to settle in Ontario. Toronto has been called the most multicultural city in the world, where more than 70 languages are spoken.

REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

CONSUMER PROFILE

As Ontario's number of households continues to grow, so too will local demand for consumer goods and services.

Although English is the dominant language of Ontario, its population is multicultural and multilingual. Immigrants from all over the world offer high levels of academic, business and personal skills that directly benefit Ontario-based companies, and are an important reason why so many foreign investors choose to locate here.

According to the 2001 census by Statistics Canada, the five languages most commonly spoken at home are English (almost eight million speakers), French (almost 490,000 speakers), Chinese (almost 405,000 speakers), Italian (almost 296,000 speakers) and German (about 157,000 speakers). Other significant languages include Polish, Spanish, Punjabi, Ukrainian and Portuguese.

According to the 2001 census, the largest religious denomination is the Protestant Church with almost 4 million members. The Roman Catholic Church has more than 3.9 million members.

Home Language	Number of Speakers
English	10,203,240
French	528,655
Chinese	406,495
Italian	233,805
Portuguese	135,225
Spanish	121,955
Punjabi	113,855
Polish	113,660
German	83,285
Greek	62,215
Korean	44,435
Dutch	24,400
Japanese	9,070

Source: Statistics Canada Census, 2001 (01/2003)

REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

ONTARIO AGRICULTURE

Ontario has over half of the "Class 1" (highest quality) agricultural land in Canada and even more Class 2 and Class 3 land, both of which are considered very suitable for agriculture. Over 67,000 farms in Ontario, with cash receipts of more than \$7.2 billion, account for almost one-quarter of all farm revenue in Canada. Ontario has many commercial poultry, hog, dairy and beef cattle farms. Cash crops including soybeans, corn, mixed grains, forage crops, and wheat and barley are significant agricultural commodities. Vegetables also account for a considerable share of Ontario's agricultural production.

While the largest fruit crop is apples, the rich agricultural lands and mild climate of southern Ontario also allow for the cultivation of tender fruits including peaches, plums and grapes, and specialty crops such as tobacco, ginseng, dry beans and mushrooms. Wineries thrive in the Niagara Peninsula, Pelee Island, and the Lake Erie north shore areas.

ONTARIO ECONOMY

NORTH AMERICA'S TRADE HUB

Over 400 million North American consumers are accessible from Ontario. Strategically located in the middle of the continent, Ontario is a natural distribution centre for important markets in Canada, the U.S. and Mexico. Considering that the overall cost of doing business in Ontario is lower than in the U.S., it is not surprising that so many multinational corporations have established large operations here.

A ROBUST ECONOMY

Ontario's 12.2 million people make it Canada's most populous and dynamic province. Its share of Canada's GDP for 2003 was 40.6 per cent and it is Canada's leading manufacturing province accounting for 54.0 per cent of the total national manufacturing shipments in 2003.

The Ontario economy gained momentum in 2004, rebounding from the series of shocks that slowed economic growth in 2003. Ontario has a history of strong growth. In 2004 the economy is forecast to expand by 2.3 per cent, and an average of 3.3 per cent over the period from 2005 to 2007. This growth will foster strong job creation and rising incomes.

Ontario has a diverse and well-balanced economy with high concentrations of manufacturing and financial and business services. There has been a marked shift towards export-oriented, higher value-added industries.

REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

Employment in Ontario stood at 6,229,000 in 2003, with 160,500 jobs created. Jobs are expected to rise by 104,000 in 2004 and 114,000 in 2005. Inflation in Ontario was 2.7 per cent in 2003, and is forecast to average 1.9 per cent in 2004, and 2.1 per cent in 2005.

Ontarians, in most years, can expect the province to be one of the fastest-growing regions in the advanced industrial world. Ontario benefits from a growing labour force, which is attracted and sustained by a high quality of life and equipped with the education, skills and initiative needed to compete in today's knowledge-based market place. Centrally located within North America, Ontario offers a hospitable business climate.

GDP: A DYNAMIC ECONOMY

Ontario represents 38 per cent of Canada's total population and 42 per cent of the country's GDP - over \$447 billion dollars.

Ontario GDP vs. Selected Provinces, 2002

Provinces	Percentage (%)
Ontario	42.10
Quebec	21.40
British Columbia	11.88
Alberta	11.77
Atlantic Prov.	5.78
Manitoba	3.17
Saskatchewan	2.86
Others	0.49

THE NORTH AMERICAN MARKET

National free trade agreements between Canada, the United States and Mexico have had a profound influence on Ontario's economy. In 1989, a bilateral trade agreement between the U.S. and Canada came into effect, and was superseded in 1994 by the North American Free Trade Agreement.

For Canada, the agreement means more secure, stable access to U.S. and Mexican markets. The end result has been increased exports and imports among the three trading partners.

REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

ONTARIO'S METROPOLITAN AREAS - 2003 METROPOLITAN CENSUS

TOTAL CENSUS METROPOLITAN AREAS	20,497.4
TORONTO (ON)	5,101.6
OTTAWA-GATINEAU (ON-QC)	1,132.2
HAMILTON (ON)	702.9
LONDON (ON)	457.2
KITCHENER (ON)	444.1
ST. CATHARINES-NIAGARA (ON)	393.6
WINDSOR (ON)	329.0
OSHAWA (ON)	319.3
GREATER SUDBURY (ON)	160.3
KINGSTON (ON) ¹	155.5

ONTARIO RETAIL

Across the country, Ontario generates the most significant market share of food sales at 31 per cent, consistent with its population base. Quebec is close behind at 24 per cent; these two powerhouse provinces own more than 50 per cent market share throughout the entire country. Lagging behind is British Columbia and Northern Canada at 15 per cent.

REGIONAL MARKET SHARE [Supermarkets/Convenience]

	Chain Stores			Independents				
	Units		Sales	Units		Sales		
	Grocery	Convenience	Combined Total [000s]	Voluntary Groups	Unaffiliated	Combined Total [000s]		
Atlantic Provinces	193	1,599	\$4,411,728	165	1,503	\$1,363,080		
Quebec	385	2,241	\$5,392,714	1,554	3,121	\$9,681,992		
Ontario	540	2,116	\$12,266,918	1,029	3,012	\$6,897,972		
Manitoba/Saskatchewan	166	492	\$3,197,221	605	1,002	\$1,334,304		
Alberta	181	1,055	\$5,694,619	320	657	\$2,135,296		
British Columbia/North Canada	326	839	\$6,496,292	233	814	\$2,851,190		
Canada	1,791	8,342	\$37,459,492	3,906	10,109	\$24,263,834	24,148	\$61,723,326
% of Total	7.4%	34.5%	60.7%	16.2%	41.9%	39.3%	100%	100%

REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

MERCHANDISING

Merchandising activity is currently being reviewed by the three major retailers in Ontario; Loblaw Cos. Ltd., Sobeys and A&P. Each of these retailers finds value in point of sale materials at store level but are concerned about maintaining a clean look in the produce department. Opportunities exist to arrange customized point of sale materials with the retailers for specific banners. Discount banners from these retailers typically have mandated no merchandising activity, as they believed the consumer feels they are indirectly paying for its presence. Some banners will participate in in-store display or consumer contests. Smaller regional chains including Longo Brothers Fruit Markets and Highland Farms are more receptive to merchandising activity. One program fully supported by retailers in Ontario is the Foodland Ontario program.

Foodland Ontario is a consumer program developed in 1977 by the Ontario Ministry of Agriculture and Food to promote Ontario produce. It has been successful reaching the consumer about buying and supporting fresh, locally grown, high quality Ontario produce.

Foodland Ontario works closely with producer organizations, industry and retailers to co-ordinate promotion and research activities. Through radio, television and newspaper, consumers are informed of produce availability and recipe ideas. At retail level, in-store display contests are supported. Foodland Ontario merchandisers display point of sale materials at retail level. Materials include commodity cards, recipe booklets, calendars and Foodland Ontario logos displayed beside local produce.

Recent studies show that over 80% of consumers recognize the Ontario Foodland symbol and look for Ontario produce when in season.

WHOLESALE MARKET

The Ontario Food Terminal is Canada's largest wholesale fruit and produce terminal. It is strategically located in Toronto's west end, adjacent to Canada's largest highway infrastructure. Produce from around the world is shipped to this facility for resale and distribution to the Canadian marketplace. This facility ranks as the third largest fruit and vegetable distribution centre in North America. An estimated 840,000 tons of fruit, vegetables and horticultural products pass through the terminal each year, serving more than 10 million people annually. Over 500 varieties of fruit, vegetables and bedding plants pass through the market yearly. This Food Terminal prides itself on being the most efficient and clean facility of its kind. It also strives to maintain the highest standards of food handling, safety, and recycling practices.

There are 22 warehouse tenants, who are wholesaler/importers, permanently on-site. They buy and sell produce from around the world. Each importer leases warehouse space, which includes store space around the buyers' circle, office space, basement and their own docking facilities for receiving and shipping. These wholesaler/importers source out and buy produce in a variety of ways. They buy direct loads from growers and shippers or pre-packed from packers worldwide, as demand warrants. Some repack brand labels.

REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

WHOLESALE MARKET

The importers produce is shipped from the terminal to retailers across the province primarily by independent truckers. The facility accepts shipments 24 hours a day, 365 days a year. It is estimated that over one million truckloads move through the gates yearly. A rail system is also available, however, usage has gradually diminished.

A 80,000 square foot cold storage facility is located on site. Room temperatures are kept at either 32°F or 42°F. Shipments can be received into cold storage from 3:00 a.m. to 3:30 p.m., Monday to Friday.

Ontario Wholesaler/Importer Warehouses

Wholesaler/Importer	Phone #	Web Site
Don Amodeo Produce Ltd.	416-252-1121	www.amodeoproduce.com
Canadian Fruit and Produce Co. Inc.	416-259-3870	www.canadianfruit.com
Chiovitti Banana Co. Ltd.	416-252-5201	
City Foods	416-259-4594	
Dominion Citrus Ltd.	416-259-6328	www.dominioncitrus.com
Fresh Taste Produce Ltd.	416-255-2361	
Gambles Ontario Produce Ltd.	416-259-6391	www.gamblesproduce.com
Ippolito Produce	416-252-8809	www.ippolitoproduce.com
Johnvince Foods	416-255-9605	
J.E. Russell Produce Ltd.	416-252-7838	
Lamantia Garcia Produce Ltd.	416-251-6676	
F.G. Lister and Co. Ltd.	416-251-6591	www.fglister.com
Mel-O-Ripe Banana Brands Ltd.	416-251-6356	
Morris Brown and Sons Co. Ltd.	416-259-7619	www.morris-brown.com
North American Produce Buyers Inc.	416-255-5544	
Ontario Produce Company	416-259-6397	www.ontarioproduce.com
Provincial Fruit Co. Ltd.	416-259-5001	
Rite-Pak Produce Co. Ltd.	416-252-3121	
Streef Produce Ltd.	416-251-6885	
Stronach & Sons Ltd.	416-259-5000	
Tomato King Ltd.	416-259-5410	
Veg-Pak Produce Company Ltd.	416-259-5891	

The Farmer's Market operates from May through October at the Ontario Food Terminal. It is restricted to Ontario growers, who must qualify to lease one of 550 booth spaces from the terminal to sell their produce on a commission basis. They are limited to selling Canadian produce only. Currently tenants travel daily from all over southern Ontario to sell their produce. An estimated 120 produce items and bedding plants are available each year.

REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

WHOLESALE MARKET

A variety of buyers procure from the Food Terminal each day. They represent fruit and vegetable retailers (from large independent to small corner stores), corporate stores (i.e. Longo Bros. Fruit Markets, Comisso's and Highland Farms), restaurants, institutional buyers, florists and caterers. Although Ontario's major retail players procure US produce directly from buying offices in various US locations, they still rely on the Food Terminal to supplement any shortages or unexpected customer demands. A large percentage of the buyers procuring from the Terminal are independent "mom-and-pop" grocery stores that service the many ethnic communities in the Greater Toronto area. The most prominent ethnicities are Chinese, Indian, Italian and Korean.

Buyers must be registered with the Food Terminal to make purchases. To become a registered buyer, one must show proof of a business that is actively involved in the food or horticultural industry and, once approved, purchase a two-year pass. Currently there are over 6,000 buyers registered at the Ontario Food Terminal. Produce is also shipped to out-of-province buyers and to buyers in the northern United States. In fact, retail players from New York State procure from the Ontario Food Terminal. This in part, is due to the close proximity to the Food Terminal and its excellent reputation for good quality produce. The exchange rate also provides an incentive for purchase north of the border.

The Ontario Food Terminal is open to all buyers from 6:30 a.m. to 2:30 p.m., Monday to Friday, closed Saturday and operates from 7:00 a.m. to 12:00 p.m. on Sunday. Often procurement takes place via telephone with the wholesalers/importers, who also arrange shipping of product.

REGIONAL OVERVIEWS

ONTARIO WHOLESALE – AVERAGE PRICING FOR IDENTIFIED COMMODITIES

[RESEARCH BASED ON 4 ONTARIO WHOLESALERS – JULY 26, 2004]

Commodity	Variety	Size/Count	Avg Price	# Wholesalers Carrying Item on Survey Date	Origin	% Origin
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REGIONAL OVERVIEWS

ONTARIO WHOLESALE – AVERAGE PRICING FOR IDENTIFIED COMMODITIES

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REGIONAL OVERVIEWS

ONTARIO WHOLESALE – AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Commodity	Variety	Size/Count	Avg Price	# Wholesalers Carrying Item on Survey Date	Origin	% Origin
Onions	Vidalia	40 lb	\$28.38	2	SUSTA	100%
	White Jumbo	25 lb	\$14.13	2	WUSATA	100%
Corn	Peaches & Cream	Crate	\$9.56	4	CDA East	100%
Snap Peas		Size not listed	\$14.00	1	Guatemala	100%
	A CDA East	50% 5	0%		\$25.00 1	50% 50%
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REGIONAL OVERVIEWS

ONTARIO WHOLESALE – AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Commodity	Variety	Size/Count	Avg Price	# Wholesalers Carrying Item on Survey Date	Origin	% Origin
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RESEARCH BASED ON 4 ONTARIO WHOLESALE – JULY 26,

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REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

ONTARIO RETAIL - AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:	Loblaws Ontario [Loblaw Cos. Ltd. Banner] – 66 Ontario locations, 34 Quebec locations							
Date of Visit:	July 20, 2004							
City:	Mississauga							
Province:	Ontario							
Commodity	Retail Bulk			Retail Value Added				
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REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

ONTARIO RETAIL - AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		Loblaws Ontario [Loblaw Cos. Ltd. Banner] – 66 Ontario locations, 34 Quebec locations						
Date of Visit:		July 20, 2004						
City:		Mississauga						
Province:		Ontario						
	Cooking	☐\$0.99 lb	☐CDA East	☐\$0.89 ☐\$1.99 ☐\$3.99	☐2 lb ☐5 lb ☐10 lb	☐CDA East		☐Foodland Ontario commodity card
		9 lb☐CDA	East☐\$0	.	8	9		\$
	\$3.99☐2	lb☐5 lb☐1	0 lb☐C	D	A		E	a
	oodland	Ontario c	ommodi	t	y		c	a
	☐☐☐☐Re	d☐\$1.49 l	b☐WUSAT	A				
☐☐☐☐V	i	dalia☐\$0	.99 lb☐SU	STA☐☐	☐☐☐☐	☐☐☐☐S	panish☐\$0	.
b☐SUSTA☐☐		☐☐☐☐☐	White☐\$1.4	9		l	b	
	A☐☐☐☐☐☐☐☐	Corn ☐5/	\$1.99☐CDA		E	a	s	t
	9☐5 pk☐Tra	y☐CDA Eas	t☐☐☐☐☐☐ Sn	a	p		P	e
	2.49 lb	☐Guatemal	a☐☐☐☐		☐		☐	Butt ernut☐\$0.79
	nduras☐☐☐	☐☐☐	☐			A		
	☐☐☐☐☐Vidal	ia☐\$0.99	lb☐SUS	T	A			
	☐☐☐☐☐Spanish ☐\$0.99	lb☐SUSTA	☐☐☐☐☐☐☐☐☐					
	te☐\$1.49 l b☐WUSAT	A☐☐☐☐☐☐☐	☐ Corn ☐5	/	\$	1	.	9
	East	☐\$2.99☐5	pk☐Tray		C	D	A	
	☐☐☐☐ S	nap Peas	☐\$2.49	l	b		G	u
	la☐☐☐☐☐☐☐☐	☐☐But	ternut☐\$0	.	7	9		l
	duras☐☐☐☐☐☐☐☐ ☐☐☐☐	Spaghetti	☐\$0.79 lb		H	o	n	d
	☐☐☐☐☐☐☐	☐			ite☐\$	1.49	lb☐WUSA	T

REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

ONTARIO RETAIL - AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		Loblaws Ontario [Loblaw Cos. Ltd. Banner] – 66 Ontario locations, 34 Quebec locations						
Date of Visit:		July 20, 2004						
City:		Mississauga						
Province:		Ontario						
	Grape			\$1.99	Pint	Clam	Mexico	
	Campa	r	i	\$2.	99 1.1	lb Cl	am CDA Ea	s
	Swiss C	hard \$1.4	9 ea CDA	E	a	s	t	
	Co	llards \$1	.49 ea CD	A		E	a	s
		Kale	\$1.49 ea	C	D	A		E
		Dandelio	n \$1.49 e	a		C	D	A
		Fiel	d 2/\$0.99		e	a		C
	st	En	glish \$1.	4	9		e	a
East		Green B	eans \$1.	9	9		l	b
	East		Boston \$	0	.	9	9	
	A Eas	t	Leaf		\$	0	.	99 ea CDA East Foodland Onta
	ommodity	Card	Red Le	a	f		\$	0
	a CDA Ea	st	Rom	a	i	n	e	
	ea CD	A East		Sw	eet \$	1.29 lb FOODX \$.99 4 pk	
	or wrapped		H	o	l	l	a	n
	Sw L	a	r	g	e			
	S	w	t		J	u	m	b
		Choppe	r					

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REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

ONTARIO RETAIL - AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		A&P – 70 Ontario locations						
Date of Visit:		July 23, 2004						
City:		Brampton						
Province:		Ontario						
Commodity		Retail Bulk		Retail Value Added				
o	Commodity		Retail	B	ulk	Retail	Value A	
Co		n	t	a	r	i	o	
	mmodity	tail		B	u	l	k	
	il Value Added	Type	Variety			\$		O
	\$ Size Format	Origin						
	Macintosh	N/A	Go	l	d	e	n	
	cious\$1.69	lbWUSAT	A					
	Red Deli	cious\$1.	49 lbWUS	A	T	A		
	Granny	S	m	i	t	h		
	lb	S Africa						Red Delic ious\$1
	bWUSA	TA	Gran	n	y		S	m
	1.49 l	bS Afric	a					
		Red Delic	ious\$1.4	9		l	b	

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REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

ONTARIO RETAIL - AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		A&P – 70 Ontario locations						
Date of Visit:		July 23, 2004						
City:		Brampton						
Province:		Ontario						
	Russet	\$1.29 lb	CDA East	\$2.99 \$4.99	5 lb 10 lb	Bag	USA	
		ERVI	E	W: ONTARIO	ONT	ARIO		
	L - A	VERAGE P	ICING FOR	IDENTIFIED	COMM	DITIES	Store: A&P –	
	ario	location	sD	ate of	Visi	t:J	uly	
0	04City:	Brampton	Pr	ovince	:Ont	ario	R	u
	\$1.29 lbC	DA East\$	2.99\$4	.995	lb10	lb	Bag	U

REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

ONTARIO RETAIL - AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		A&P – 70 Ontario locations						
Date of Visit:		July 23, 2004						
City:		Brampton						
Province:		Ontario						
	Cooking	□\$0.69 lb	□CDA East	□\$1.29 □\$2.99	□2 lb □5 lb	□Bag	□CDA East	
		□□□□Prov	ince:O	n	t	a	r	i
	Cook	ing□\$0.69	lb□CD	A		E	a	s
	29□\$2.99	□2 lb□5 l	b□Bag□C	D	A		E	a
	□□□□R	ed□\$1.29	lb□WUSA	T	A			
□□□□	V	idalia□\$	1.29 l	b□SUST	A□□□	□□□□□□ Spanish□\$0	.99 lb□WU	S
□□□□□□□□				Whi	te□\$1	.29	lb□WUSA	T
	□□□□□Corn	□5/\$1.99	□SU	S	T	A		\$
	5 pk□Huske	d/ tray p	ack□CDA		E	a	s	t□□□□□Sna eas□□
	□8 oz□B	ag□WUSATA	□□□□□					
	ternut□\$0.	99 l	b		N	Z		
	□□□□□Spagh etti			\$	0	.	9	9
	exico□□□□□\$ ticker	with rec	ipe□□□□□□		P	e	p	per□\$0.99 lb□Mexi co□□□□□
	Delicious N/A□□□	□□□□		□			Z	
	□□□□□	□Spaghett	i□\$0.99		l	b		M
	□□□□□S	tick	e	r		w	i	t
	ipe□□□□□□	□Pepper□\$	0.99 lb□M	e	x	i	c	o
	□□□□□□□De ious	N/A□□□□□	□□□□□□□Bu	ttercup□N	/A□	□□□	□□□□□□□Zu	c

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REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

ONTARIO RETAIL - AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		A&P – 70 Ontario locations						
Date of Visit:		July 23, 2004						
City:		Brampton						
Province:		Ontario						
	Cherry			\$3.99	Pint	Clam	CDA East	
		\$	3	.99Pi	ntCl	amCD	A East	
		.	9	9Pint	Clam	DA Ea	st	
		\$2.99Pint	ClamFO	ODX				
	pari	\$3	.991.1 l	bClamCD	A	E	a	s
		Swiss Cha	rd\$1.99	e	a		C	D
	t	Colla	rds\$1.99		e	a		C
	st		Kale\$1.9	9		e	a	
	ast				Dande	lion\$1.	99 eaCDA	East Field\$0. 99 ea
East		Engl	ish\$0.	99Ind	.Wrap	pedCD A EastFo	odland	O
	o commo	dity card	Gree	n		B	e	a
	1.99	lbCDA Ea	st\$2.99	1	2		o	z
	o-wave Ba	gMIATCO	B	o	s	t	o	n
	9 eaCDA	East		L	e	a	f	
	eaCD	A East						
	Leaf\$1.4	9		e	a		C	D
	t							
	aine\$0.	9	9		e	a		C
ast		Swe	et\$	1	.	6	9	

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SA Swt

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arge Swt Jumb

o

ChopperEggplant\$1.49 lbUSA

	East□□□□□□□White Mi	nis\$1.	8	9	/	l	b
AT	A□□□□□□□□□□R	e	d		M	i	n

REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

ONTARIO RETAIL - AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		Zehrs [Loblaw Cos. Ltd. banner] 59 locations in Southern Ontario						
Date of Visit:		July 15						
City:		Barrie						
Province:		Ontario						
	Cooking	\$0.59/lb	WUSATA	\$0.89 \$2.19 \$3.99	2 lb 5 lb 10 lb	Bag	CDA East	
	R	ed\$1.39/	lbWUSA	T	A			
	Vid	alia\$1.3	9/lbS	U	S	T	A	
	S	panish\$0	.69/lb		S	U	S	T
		White	\$1.29 l	b		W	U	S
		Corn	6/\$2.	4	9		S	U
	n	ap Peas	\$3.49/	l	b		C	H
		Butternu	t\$0.89/l	bHond	uras\$.7918 oz Par	ed/	S
	N/A		Spa	g	h	e	t	t
	89/lbM	exico						
	Pepper\$0.	69 e	a		S	U	S	T
	De lici	o	u	s		N	/	
	BpN/A		Z	u	c	c	h	
	Green\$0.89/lbC	DA East		S	u	m	m	
	Yell	ow\$0.99/	lbCDA	E	a	s	t	
	Plu	m		\$	1	.	3	
	Mexico		F	i	e	l	d	
	se\$1.29/	l	b					

REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

ONTARIO RETAIL - AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		Zehrs [Loblaw Cos. Ltd. banner] 59 locations in Southern Ontario						
Date of Visit:		July 15						
City:		Barrie						
Province:		Ontario						
	Cherry			\$2.49	□Pint	□Clam	Mexico	
			□			c	o	
				co□□□	□□□□G	pe□□	□□□□□□□	
	pari□□\$2.99	□1.1 lb□C	lamCDA E	a	s	t		
	Swiss Cha	rd\$1.99	ea□CDA Ea	s	t			
	□	Collards	\$1.99 ea	C	D	A		E
	□□□□□□□	Kale\$1.	99 ea□CDA		E	a	s	t
	□□□□	Dandel	ion\$1	.	9	9		e
	East□			□□□□	F	ield\$0.	79 ea□SUS	T
□□□□□□En	g	lish□□\$1	.29□Ea.□W	rapped	CDA E	ast□□□ □□Gr een	Beans	\$
	lb□CDA	East□\$1.9	9□12 oz□M	icro-w	av	e Bag	□MIATCO	□
	Bosto	n□\$0.99 e	a□CDA Eas	t□\$1.9	9	1□Clam	CDA East	□□□□Lea
	99 ea□CDA	East□\$1.	49□1□Bagg	e	d		C	D
	t□Hydrop	onic□□□□	Red Le	a	f		\$	0
	a□CDA	East□	□□□□□	□				
	aine□\$0.99		e	a		C	D	A
	□□□□□□□□□							
	et□\$1.79		F	O	O	D	X	
□□□□S	w	t Larg	e□□□□				□	

Swt Jumbo□□□□□□□

□□□Chopper□□□□□□□□□□□E

g

gplant□\$1.49□SUSTA□□□□□□□□

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REGIONAL OVERVIEWSREGIONAL OV

TARIO□ONTARIO RETAIL - AVERAGE PRICING FOR IDENTIFIED COMM

	agCDA East			Red\$0	.67	lbWUSATA	
7	5 lbBagW	USAT	A				

REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

ONTARIO RETAIL - AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		Zehrs [Loblaw Cos. Ltd. banner] 59 locations in Southern Ontario						
Date of Visit:		July 15						
City:		Barrie						
Province:		Ontario						
	Cooking	□\$0.67 lb	□CDA East	□\$0.99 □\$2.97	□3 lb □10 lb	□Bag	□CDA East	
	R	ed□\$0.97	lb□WUSA	T	A			
	□Vid	alia□\$0.9	5 lb□S	U	S	T	A	
	□□□S	panish□\$0	.95 lb	W	U	S	A	T
	□□□□□	White	\$0.97 l	b		W	U	S
□□□□	□	□□Corn	□6/\$1.97	C	D	A		E
□□□□□□□□S	n	ap P	e	a	s			N
	□□□□□□□	Butternu	t□\$0.77		l	b		M
	□□□□□□□□□		ed□\$0.97	l	b		W	U
	□□□□□□	□Vida	lia□\$0	.	9	5		lb□SUSTA□ □□□□ Spanish□\$0.9
	USATA□□□□	□□□□						
	te□\$0.97 l	b□WU	S	A	T	A		
	□□Corn□6/ \$1.97	CDA East	□□□□□□	□		S	n	a
	s□N/A□□□ □□□□□□	B	u	t	t	e	r	n
	.77 l	b□Mexico	□□□□□□□□			□		□
	d□\$0.9	7 lb□WUSA	TA□□□			□		□
	dalia□\$0.	95 lb□SUS	TA□□□□□□□		□			
	nish□\$0.95 l b□WUS	ATA□□□□□	□□□Wh	ite□\$0	.97	lb□WUSAT A□□□□□□□□		

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REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

ONTARIO RETAIL - AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		Zehrs [Loblaw Cos. Ltd. banner] 59 locations in Southern Ontario						
Date of Visit:		July 15						
City:		Barrie						
Province:		Ontario						
	City	:Ba	r	r	i	e		
	ovince	:On	t	a	r	i	o	
	Cherry N	/A						
	Grape N/A	Campar	i		N	/	A	
		Swiss Cha	rd \$1.47	e	a		C	D
	t							
	lards \$1.4	7 ea CDA	East					
	e N/A	Dande	l	i	o	n		
	ea CDA	E	a	st	Fiel	d \$0.55 e	a	
East		Engl	ish \$0.	5	9		l	n
	apped C	DA E	a	s	t			
	een B	eans \$0.	99 lb CDA		E	a	s	t
	B	oston N/A						
	f \$0.57	ea CDA Ea	st					
	Leaf	\$0.57 ea	CDA Ea	s	t			
	Romai	n	e		\$	0	.	5
	CDA East							
	eet \$1.2	7		l	b		F	O
		Swt La	rge					

REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

ONTARIO RETAIL - AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		No Frills [Loblaw Cos. Ltd banner] – Ontario Locations						
Date of Visit:		July 20, 2004						
City:		Brampton						
Province:		Ontario						
Commodity		Retail Bulk		Retail Value Added				
io	Comm	it	YRetai	I	Bulk	Retail	Value	
					C	O	m	m
	Retail Bulk	ail Value	Added			O	n	t
	Commod	Retail Bu	lkRet	ail Va	lue A	dded		T y
	riety	nSize	FormatOr	i	g	i	n	
	Macintos	h			G	o	l	d
	licious	\$1.2	7		l	b		W
				R	e	d		D
	ous	\$0.97 lb	WUSATA\$1	.	9	7		3
	agCDA	East	Gran	n	y		S	m
	0.77 l	bS Afric	a					
	al Ga	la\$0.97	lbChile					
	Spartan	N/A		Cri	spin	N/A	Red\$0	.
	CDA E	ast						
	Green	\$0.77 lb	CDA Eas	t		S	avoy\$0.4	7
	DA E	ast		N	a	p	a	
	lbCDA East							
	set\$0.67	lbW	U	S	A	T	A	

REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

ONTARIO RETAIL - AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		Zehrs [Loblaw Cos. Ltd. banner] 59 locations in Southern Ontario						
Date of Visit:		July 15						
City:		Barrie						
Province:		Ontario						
	Cooking			\$0.97 \$2.47	3 lb 10 lb	Bag	CDA East	
	R	ed\$0.97	lbWUSA	T	A			
	Vid	alia\$0.9	7 lbS	U	S	T	A	
	S	pani	s	h		N	/	A
		White	\$0.97 l	b		W	U	S
		Corn	8/\$1.99	CDA Ea	st\$2	.975 pk	Tra	y
USA	S	n	ap P	e	a	s		N
		Butternu	t\$0.57 l	b		H	o	n
			ia\$0.	9	7		l	b
	A	Sp	anishN	/	A			
	Whit	e\$0	.	9	7		l	b
	TA	Corn8	/\$1.	9	9		C	D
	t\$2.975 p kTray	PkUSA	Snap	P	e	a	s	
	Butt	ernu	t		\$	0	.	5
	Hondu	ras	S	p	a	g	h	e
	0.57 l	bFOODX					l	b
	TA	Corn	8/\$1.99C	D	A		E	a
	.975 pkTra y Pk	USA	Snap Peas			N	/	A

REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

ONTARIO RETAIL - AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		Zehrs [Loblaw Cos. Ltd. banner] 59 locations in Southern Ontario						
Date of Visit:		July 15						
City:		Barrie						
Province:		Ontario						
	Cherry			\$1.97	Pint	Clam	USA	
		Clam	m		U	S	A	
		lam	U	S	A			
	Grape N/A							
	pari N/A		Swiss		C	h	a	r
			Collards	\$	1	.	4	7
	DA East							
	e \$1.4	7 ea CDA	East					
	delion N	/A	Fi	e	l	d		\$
ea CDA East			Englis	h		\$	0	.
	CDA Ea	st						
	en Be	ans \$1.4	7 lb CDA	E	a	s	t	
	Bo	ston N/A						
	f \$0.57	ea CDA Ea	st					
	Leaf	\$0.57	ea CDA		E	a	s	t
	Ro	m	a	i	n	e		\$
	ea CDA Eas	t						
	Sweet \$1	.	2	7		F	O	O
		Swt La	rge					

S
w

t Jumbo

ChopperEggpl

a

nt \$1.27 lb CDA East

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REGIONAL OVERVIEWSREGIONAL

RVIEW:	ONTARIOONTARIO RETAIL - AVERAGE PRICING FO
ENTIFIED COMMOD	ITIES

REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

ONTARIO RETAIL - AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		Dominion [A&P Banner] – 75 Ontario locations						
Date of Visit:		July 23, 2004						
City:		Mississauga						
Province:		Ontario						
	Russet	\$1.29 lb	CDA East	\$4.99 \$1.29 \$2.99	10 lb Ind. 4 pk	Bag Foil Wrap Foil Wrap	USA	
		[A&P Bann	er] – 7	5 Onta	catio	Dat	e of	
	:July	23, 2004	City	:Miss	a	Provi	nce:	Ont
		Russet	\$1.29	lb CDA	\$4.99	\$2.	99	1
I	nd. 4 pk Bag	Foil Wra	p Foil	W	r	a	p	

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REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

ONTARIO RETAIL - AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		Dominion [A&P Banner] – 75 Ontario locations						
Date of Visit:		July 23, 2004						
City:		Mississauga						
Province:		Ontario						
Potatoes	Red Minis	\$1.99 lb	WUSATA					
	Cooking	☐\$0.69 lb	☐CDA East	☐\$1.29 ☐\$2.99	☐2 lb ☐5 lb	☐Bag	☐CDA East	
	R	ed☐\$1.29	lb☐Mexi	c	o			
	☐Vid	alia☐\$1.2	9 lb☐S	U	S	T	A	
	☐☐☐S	panish☐\$0	.99 lb	M	e	x	i	c
	☐☐☐☐☐	White	\$1.29 l	b		M	e	x
☐☐☐☐	☐		☐	Corn	☐☐☐\$2	.99☐5 pk cleaned, t	ray pack	C
ast☐☐☐☐☐S	n	a	p	Peas	☐☐☐\$1	.29	8 oz☐Ba	g
	TA☐☐☐☐☐	Butternu	t☐\$0.99 l	b		H	o	n
	☐☐☐☐☐☐☐☐☐		☐☐☐	S	p	a	n	i
	.99 lb	Mexico☐☐	☐☐☐☐☐☐					
	te☐\$1.29 l	b☐Me	x	i	c	o		
	☐☐ Corn ☐	☐\$2.99☐5	pk☐clea	n	e	d	,	
	pack☐CDA Ea st☐☐☐	☐ Snap Pe	as☐☐☐\$1.	2	9		8	
	g☐WUSATA☐ ☐☐☐	Butt	e	r	n	u	t	
	lb☐H	onduras☐	☐☐☐☐☐☐☐			T	A	
	☐☐☐	Spanish	\$0.99 l	b		M	e	x
	☐☐☐☐☐☐☐	White	\$1.29 lb	M	e	x	i	c
	☐☐☐☐☐☐ Corn ☐☐\$2.	99☐5		pk☐cle aned,	tray pac	k☐CDA E ast☐☐☐☐☐ Snap Peas	☐☐☐\$1.29	

REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

ONTARIO RETAIL - AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		Dominion [A&P Banner] – 75 Ontario locations						
Date of Visit:		July 23, 2004						
City:		Mississauga						
Province:		Ontario						
	Cherry	□N/A						
				Che	rry□N	/A□		
	□□□□Grap	e				\$	2	.
	nt□USA□□□□	Campa	ri□□□□□□		□		□	
	ss Chard	\$1.99 ea	CDA East					
	Colla	rds□\$1.99	ea□CDA E	a	s	t		
	□□Kale	□\$1.	9	9		e	a	
	ast□□	□□□□□□	Dandelio	n		N	/	A
	□□□□□□		F	ield□\$	0.99	ea□CDA E	ast□□□□□□	□
English□□□\$	0	.99□Ind.	Wrapped□C	DA Eas	t□□□	□□Green Beans	□\$1.99	l
	East□\$	2.99□Bag	For Micro	-	w	a	v	e
	CO□□□□	□□Bos	ton□\$0.	9	9		e	a
	East□□□□□	□□□□L	eaf□\$1.	4	9		e	a
	TA□□□□□□	□□□Re	d Leaf□\$1	.	4	9		e
	ATA□□	□□□□□□	Romai	n	e		\$	0
	a□CDA East							□
	Sweet□\$1.6	9		l	b		F	O
	□□□□□□□□							
t Large□		□□□□□□□□	S	w	t		J	u

REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

ONTARIO RETAIL - AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		Food Basics [A&P Banner] – 140 locations Ontario, Discount Banner						
Date of Visit:		July 20, 2004						
City:		Brampton						
Province:		Ontario						
Commodity		Retail Bulk		Retail Value Added				
io	Comm	it	YRetail	I	Bulk	Retail	Value	
		C	o	m	m	o	d	i
	tail Bu lk	Value Ad	ded					T
	arie ty	n\$Size	FormatOr	i	g	i	n	
	Maci ntosh	N/A	G	olden	Delic	ious	\$1.25 lb	
	A	Red De	liciou	s		\$	0	.
	CDA Wes	t						
	anny Smi	th\$	0	.	9	9		l
	fric	a\$2.973	lbBagS		A	f	r	i
		Royal Gal	a\$1.15 l	b		C	h	i
		Spart	anN/A					
	Crisp	inN/A						
	\$1.35	eaCDA East			Green	\$0.	77 e	a
	East				Savoy	\$1.	35 e	a
	East		Napa	\$0.65 eaCD	A Eas t		Russet3/	\$
	eaW	USATA\$2.	475 lb	BagU	SA		Yuk	o
	\$2.855 lb	Bag		USA		Whit	e\$0.67 l	b
	TA\$2.85\$	2.97		5 lb1	0 lb	Bag	USA CDA E	a

REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

ONTARIO RETAIL - AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		Food Basics [A&P Banner] – 140 locations Ontario, Discount Banner						
Date of Visit:		July 20, 2004						
City:		Brampton						
Province:		Ontario						
	Cooking	□\$0.55 lb	□CDA East	□\$0.65 □\$1.59	□2 lb □5 lb	□Bag	□CDA East	
	R	ed□\$0.85	lb□U	SA□\$1.	97□10	lb□B	ag□CDA Ea	s
	□Vid	alia□\$0.9	5 lb□S	U	S	T	A	
	□□□S	panish□\$0	.95 lb		S	U	S	T
	□□□□□	White	\$0.85 l	b		W	U	S
□□□□	□		□		C	o	r	n
□□□□□□□□S	n	a	p		P	e	a	s
	□□□□□□□		B	u	t	t	e	r
	□□□□□□□□□		l	b		S	U	S
	□□□□□□							
	nish□\$0.95		l	b		S	U	S
	□□□□□□	W	h	i	t	e		\$
	lb□WUSATA□ □□□□□	□		C	o	r	n	
	□□□□□□Sna p Peas							
	Bu	t	t	e	r	n	u	t
	□□□□□□			l	b		S	U
	□□□□□□□							
	nish□\$0.95 l b□SUS	T	A					

REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

ONTARIO RETAIL - AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		Food Basics [A&P Banner] – 140 locations Ontario, Discount Banner						
Date of Visit:		July 20, 2004						
City:		Brampton						
Province:		Ontario						
	Cherry							
								□
	Grape□□□□□		□		□			
	pari□□□□				□		□	
	ss Ch	a	r	d				
	□□Coll	a	r	d	s			
	□□□		K	a	l	e		
	□□□□	D	a	n	d	e	l	i
□□□□□□□□□		F	i	e	l	d		
	□□□□		E	n	g	l	i	s
	□□□□□		□		G	r	e	e
	ns□□□□□			□		□		
	ton□□□□				□		□	
	f□□□□				□		□	
	Leaf□□□□				□		□	
	aine□□□□□			□		□		
	et□□□□□			□		□		
t Large□							□	

REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

ONTARIO RETAIL - AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		Fortinos [Loblaw Cos. Ltd. Banner] – 20 locations in Southern Ontario						
Date of Visit:		July 23, 2004						
City:		Brampton						
Province:		Ontario						
Commodity		Retail Bulk		Retail Value Added				
io	Comm	it	YRetai	I	Bulk	Retail	Value	
		C	o	m	m	o	d	i
	tail Bu lk	Value Ad	ded					T
	arie ty	n\$Size	Format	O	r	i	g	i
	Ma cintos	hN/A		Golden	Deli	ciou	s\$1.69 l	b
	TA	Red De	lic	i	o	u	s	
	lbWUSA	TA						
	ranny Sm	ith\$1.49	lbS Afr	i	c	a		\$
	3 lb	BagS Af	rica					
	yal Ga	la\$1.49	lbNZ					
	artan	N/A			C	r	i	s
	1.29	lbCDA Ea	st					
	d\$0.79	lbUSA		Gree n\$1.2 9 lbC	DA E ast	Savo y\$0.79 lb SUS	TA	
	N	apa\$0.79	lbSUS	TA			Russ	e
	79 lb	WUSATA2/	\$0.99\$	1.99\$	2.99 IND3	pk5	lbFoi l wrapFo	i
	yBa	gUSA	Yuk	on\$0.	99 lb	WUS	ATA	\$
	5 lbBagUSA	White\$0		.	9	9		l
	ATA\$2.99	5 lb10 l	bBagW	U	S	A	T	A

D

REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

ONTARIO RETAIL - AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		Fortinos [Loblaw Cos. Ltd. Banner] – 20 locations in Southern Ontario						
Date of Visit:		July 23, 2004						
City:		Brampton						
Province:		Ontario						
	Cooking	□N/A		□\$0.99 □\$1.99 □\$3.99	□2 lb □5 lb □10 lb	□Bag	□CDA East	
	R	ed□\$1.29	lb□WUSA	T	A			
	□Vid	alia□\$1.2	9 lb□S	U	S	T	A	
	□□□S	panish□\$0	.99 lb		C	h	i	l
	□□□□□	White	\$1.29 l	b		W	U	S
□□□□	□	□□Corn	□6/\$1.99	CDA Ea	st□\$2	.49□5 pk Shucked/ t	ray pack	C
ast□□□□□S	n	ap Peas	\$2.99	l	b		C	h
	□□□□□□□	Butternu	t□\$0.99 l	b		H	o	n
	□□□□□□□□□		alia□\$1.2	9		l	b	
	□□□□□□□	□□Spa	nish□\$	0	.	9	9	lb□Chil e□□□ □□□□□ White□\$1.29
	SATA□□□□□	□□□	C	o	r	n		
	99□CDA Eas	t□\$2.49□5	pk□Shu	c	k	e	d	/
	pack□CDA E ast□□□	□□Snap P	eas□\$2.9	9		l	b	
	□□□□□□□□□ Butt	ernu	t		\$	0	.	9
	Hondu	ras□□□□□	□□□□□S	p	a	g	h	e
	0.99 l	b□Hondura	s□□□□□□□	□□□□Pe	ppe	r□\$0.99	lb□FOODX	
	ticker wi	th cookin	g instruc	t	i	o	n	s
	99 lb	□Honduras	□□□□□□□□□				□	

V

REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

ONTARIO RETAIL - AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		Fortinos [Loblaw Cos. Ltd. Banner] – 20 locations in Southern Ontario						
Date of Visit:		July 23, 2004						
City:		Brampton						
Province:		Ontario						
	□□□Dat	e		of Vis	it:Ju	ly 23	, 2004□□	□
	:Bram	p	t	on□□□□	Provi	nce:	Ontario	
	Cherry□		\$	3.99□1	2 oz□C	am□CD	A East□□□	
	rape□□□\$2.49	□12 oz□Cl	am□Mexico			□		□
	mpari□□□\$	2.99□1.1	lb□Clam□C	D	A		E	a
	□□	Swiss Ch	ard□\$1.69		e	a		C
	st□□□□□□□	□Col	lards□\$1.	6	9		e	a
	East□	□□□□□□□	Kale□\$	1	.	6	9	
	A East□	□□□□□□□	Dandel	i	o	n		\$.69 ea□C DA East □□□□□□□ Fiel
.79 ea□CDA E	a	st□□□□□□□	□□Eng	lish□\$	0.99 e	a□CDA East□□□□	Foodlan	d
	rio com	modity ca	rd□□□□Gr	e	e	n		B
	□\$1.9	9 lb□CDA	East□\$2.9	9		1	2	oz□Micro -wave Ba g□MIATCO□ □□□
	ton□\$0.99	ea□CDA E	ast□□□□□	□		□		
	f□\$0.99	ea□CDA Ea	st□□□□□Fo	o	d	l	a	n
	ario c	ommodity	card□□		□			
	Leaf□\$0.9	9		e	a		C	D
	t□□□□□□□□□							
	aine□\$0.	9	9		e	a		C
ast□□□□□	□	□□						

Sw

t\$1.49 lbFOODX

□□□□□Swt Large□□□□□□□□□□

☐ Swt Jumbo☐☐☐☐☐☐☐☐☐☐☐ Chopper☐☐☐☐☐☐☐☐☐☐☒ Eggplant☐ N/A

	Minis□\$1.	99 lb□WUS	ATA□□□			□		□
--	------------	-----------	--------	--	--	---	--	---

REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

ONTARIO RETAIL - AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		Fortinos [Loblaw Cos. Ltd. Banner] – 20 locations in Southern Ontario						
Date of Visit:		July 23, 2004						
City:		Brampton						
Province:		Ontario						
	Cooking	□N/A		□\$0.99 □\$1.99 □\$3.99	□2 lb □5 lb □10 lb	□Bag	□CDA East	
	R	ed□\$1.29	lb□WUSA	T	A			
	□Vid	alia□\$1.2	9 lb□S	U	S	T	A	
	□□□S	panish□\$0	.99 lb		C	h	i	l
	□□□□□	White	\$1.29 l	b		W	U	S
□□□□	□	□□Corn	□6/\$1.99	CDA Ea	st□\$2	.49□5 pk Shucked/ t	ray pack	C
ast□□□□□S	n	ap Peas	\$2.99	l	b		C	h
	□□□□□□□	Butternu	t□\$0.99 l	b		H	o	n
	□□□□□□□□□		alia□\$1.2	9		l	b	
	□□□□□□□	□□Spa	nish□\$	0	.	9	9	lb□Chil e□□□ □□□□□ White□\$1.29
	SATA□□□□□	□□□	C	o	r	n		
	99□CDA Eas	t□\$2.49□5	pk□Shu	c	k	e	d	/
	pack□CDA E ast□□□	□□Snap P	eas□\$2.9	9		l	b	
	□□□□□□□□□ Butt	ernu	t		\$	0	.	9
	Hondu	ras□□□□□	□□□□□S	p	a	g	h	e
	0.99 l	b□Hondura	s□□□□□□□	□□□□Pe	ppe	r□\$0.99	lb□FOODX	
	ticker wi	th cookin	g instruc	t	i	o	n	s
	99 lb	□Honduras	□□□□□□□□□				□	

V

REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

ONTARIO RETAIL - AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		Fortinos [Loblaw Cos. Ltd. Banner] – 20 locations in Southern Ontario						
Date of Visit:		July 23, 2004						
City:		Brampton						
Province:		Ontario						
	Cherry			\$3.99	12 oz	Clam	CDA East	
			\$	3.99	2 oz	Clam	DA East	
		3	.	99	12	oz	Clam	East
	pe	\$2.49	2 oz	Clam	Mexico			
	pari	\$2	.99	1.1 l	b	Clam	CD	A
		Swiss Cha	rd	\$1.69	e	a	C	D
	t	Coll	ards	\$1.6	9	e	a	
	ast		Kale	\$1.	6	9	e	a
	East		Dandelion		\$.	6	9 ea
9 ea	CDA Eas	t	Engli	sh	\$0.	99 ea	CDA Ea	st
	o commo	dity card	Gree	n		B	e	a
	1.99	lb	CDA Ea	st	\$2.99	1	2	o
	n	\$0.99 e	a	CDA Eas	t			
	f	\$0.99	ea	CDA Ea	st		Fo	o
	ario c	ommodity	card					
	Leaf	\$0.9	9		e	a	C	D
	t							
	aine	\$0.	9	9		e	a	C
ast								

S

w

eet \$1.49 lb FOODX

Swt Large

Swt Jumbo Chopper Eggplant N

/

	2 lb□Bag□W	USAT	A			□		□
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REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

ONTARIO RETAIL - AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		IGA Ontario [Sobeys banner] – 123 Ontario locations						
Date of Visit:		July 15						
City:		Schomberg						
Province:		Ontario						
	Cooking	\$0.59 lb	□ CDA East	□ \$1.29 □ \$2.99 □ \$4.99	□ 2 lb □ 5 lb □ 10 lb	□ Bag	□ CDA East	
	R	ed\$1.29	lb□WUSA	T	A			
	□Vid	alia\$1.2	9 lb□S	U	S	T	A	
	□□□S	panish\$0	.79 lb		S	U	S	T
	□□□□	White	\$1.29 l	b		W	U	S
□□□□	□	□□Corn	6/\$1.99	CDA Ea	st□\$2	.49□5 pk	□Tray pk	C
ast□□□□S	n	ap Pea	s\$3.	9	9		C	hina□ □□□Cross m erchandise w ith bean sprouts, plas tic tubs of c how mein n oodles & fortune
	ies□□□	Butternu	t\$1.49 l	b		C	D	A
	□□□□□□□□		□□□□Spagh	e	t	t	i	\$0.99 lb CDA East□□□ Stickered wit
	king in	struction	s□□□		n	s		□□□□□Pepp er\$1.49 lb□S USTA□□□□□

REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

ONTARIO RETAIL - AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		IGA Ontario [Sobeys banner] – 123 Ontario locations						
Date of Visit:		July 15						
City:		Schomberg						
Province:		Ontario						
	Delicious	N/A						
		Ontario						
	iciousN/A	But	tercup\$0	.	9	9		l
	ucchini	– Green	\$1.29 lb	C	D	A		E
		Summer – Y	e	l	l	o		w
	9 lbC	DA East						
	m\$1.49 l	bMexico						Field \$1.49
	SATAH	othouse\$	0.99 lbC	D	A		E	a
	Adv.	e	x	tra la	rge		Hothous	e
	ine\$1	.99	l	b		C	D	A
			C	h	e	r	r	y
	.99PintClam	mMexico	Gr	a	p	e		N
		C	a	m	p	a	r	i
		S	wiss Char	d		\$	1	.
	CDA East							
	lards	N/A		K	a	l	e	
	eaCDA	E	a	st		Dand	elionN/A	
	Fie	l	d2/\$0	.99CDA E	a	s	t	

REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

ONTARIO RETAIL - AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		IGA Ontario [Sobeys banner] – 123 Ontario locations						
Date of Visit:		July 15						
City:		Schomberg						
Province:		Ontario						
	Boston	□N/A						
	Le	af□\$0.	79CDA Ea	s	t			
	□Red	Leaf□\$	0.79CDA	E	a	s	t	
	□□□R	omaine	□\$0.79CD	A		E	a	s
	□□□□□	Sweet	\$1.49	l	b		F	O
	□□□□□□□		S	w	t		L	a
	□□□□□□□□□							
	Jumbo□							□
Chopper		□□□□□□□□□	Eggplant			\$	1	.

l

b

REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

ONTARIO RETAIL - AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		Sobeys – 64 Ontario locations						
Date of Visit:		July 20, 2004						
City:		Brampton						
Province:		Ontario						
Commodity		Retail Bulk		Retail Value Added				
io	Comm	it	YRetai	I	Bulk	Retail	Value	
		C	O	mmodi	yRet	ail	BulkRet	ail Value Added
	Comm	il Bulk	Retail	V	a	I	u	e
	dType	Variety\$	Origin	\$Siz	eFor	mat	Origin	
	Macinto sh	\$2.993	lbBa	gCDA	East	Food	land Onta	r
	go	olden Del	ici	ous\$1	.79 l	bWU	SATA	
	Red Deli	ciou	s		\$	1	.	6
	WUSATA\$	2.993 lb	BagCDA	E	a	s	t	
	G	ranny Smi	th\$1.79	I	b		C	hile\$3.993 lbB agCDA East
	oyal G	ala\$1.29	lbNZ\$3	.	9	9		3
	agCDA	East	Spar	t	a	n		N
		Cri	spin\$1.2	9	/	I	b	
	ast		Red\$1.	79 ea CDA Ea st	Foodla nd On tario	comm odity card	Green \$1.49 ea CDA	East Savoy\$0.79 lb
	East		Napa	\$0.99	lbC	DA E	ast	
		Russet\$0	.99 lb	WUSATA \$1.99	\$2.49 \$3.9	94	Ind.4 pk 5 l	b Foil/Tr
	gCD	A EastCD	A East	U	S	A		F

d

REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

ONTARIO RETAIL - AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		Sobeys – 64 Ontario locations						
Date of Visit:		July 20, 2004						
City:		Brampton						
Province:		Ontario						
	White Minis			\$1.99 lb \$2.99	2 lb 5 lb	Bag	CDA East	
		2	.	99 2 lb 5 lb	B	ag C	DA East	
		\$2.99 2	lb 5 lb B	ag CDA East	Red Minis	99 l	b 2 lb Ba g WU SATA	
	king	\$0.69 lb	CDA Ea	s	t		\$	1
	3.49 \$4.	99 2 lb 5	lb 10	l	b		B	a
	East US	A CDA Eas	t					
	\$1.49	lb WUSAT	A					
dalia		\$	1	.29 l	b SUS	TA	Spanis	h
99 lb N/A			White \$	1	.	4	9	
	SATA	Corn	1.99		5		p	k Husked/ T y CDA Ea st Sn
	\$2.99 lb	Guatemala						
	ternut	\$0.99 lb	Mexi	c	o			
	cker with	cook	i	n	g		i	n
	tions		\$0.99	l	b		N	/
	White \$1	.49 lb WU	SATA					
	1.99 5 pk Husk	ed/ Tray	CDA	E	a	s	t	
	Snap	Peas \$2.	99 lb G	u	a	t	e	m
		Butt	ernut \$	0	.	9	9	
	xico	Sticker w	ith cooki	ng ins	truct ions	S	paghetti	\$
	lb Honduras	Pep	per \$0.99		l	b		U

REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

ONTARIO RETAIL - AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		Sobeys – 64 Ontario locations						
Date of Visit:		July 20, 2004						
City:		Brampton						
Province:		Ontario						
	Date of		V	isit:	July	20, 2	004□□□□	
	Bramp	t	o	n□□□□	Provi	nce:	Ontario	
	Cherry□		\$	1.99□P	int□Cla	m□Mex	ico□□□□□	
	□□□\$1.99□Pint□Clam□Me	xico□□□□□				h	e	rry□□□\$1.99□Pint Clam
	o□□□□□□□	Grape□□□\$	2.49□Pint		C	l	a	m□Mexico□□□□ Campa
	\$2.49	□1.1 lb□C	lam□CDA E	a	s	t		□□□□Swiss Char d□\$1
	a□CDA East	□□□□□Food	land Onta	r	i	o		logo□□□□ Colla rds□\$
	ea□CDA	East□□□	□Foodland		O	n	t	a
	ogo□□□□			Kal	e□\$1.	99 ea□CD	A East□□	□□Foodlan d Ontari o logo□□□□ D
lion□\$1.99 e	a	□CDA East	□□□□□Food	l	a	n	d	

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REGIONAL OVERVIEWS

REGIONAL OVERVIEW: ONTARIO

ONTARIO RETAIL - AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:	Sobeys – 64 Ontario locations							
Date of Visit:	July 20, 2004							
City:	Brampton							
Province:	Ontario							
	Boston	\$0.99 ea	CDA East					
	Le	af\$0.79	eaCDA Ea	s	t			Foodla nd Ontar io Commodi ty Ca
	Red	Leaf\$0.7	9 eaCDA	E	a	s	t	
	R	omaine\$0	.79 eaCD	A		E	a	s
		Sweet	\$1.49	lbFOO	DX\$4	.993 pk 3 color	wrapped	
	nd		S	w	t		L	a
	Jumbo							
Chopper			Egg	p	l	a	n	t

\$

1

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49 lbUSA

Origin Table:	CDA East = Ontar	io/Quebec/Ma
mes	EU = EuropeFOODX = No	rtheast U.S. St
AU = Australia	MIATC	O = Mid U.S. Stat
Z = New Zealand	SUSTA = S	outhern U.S. StatesS Af
= South Africa	WUSATA =	Western U.S. StatesS Amer
= South America	CDA West = Britis	skatchewan/ManitobaUSA =
h Columbia/Alberta/ Sa		

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REGIONAL OVERVIEW

REGIONAL OVERVIEW: QUEBEC

QUÉBEC FAST FACTS:

- 1 Approximately one quarter of Canada's population lives in Québec.
- 2 With almost 7.5 million people, Québec has the second largest population in Canada.
- 3 Québec is the second largest French-speaking city in the world, next to Paris.
Approximately 82 per cent of the population site French as their primary language.
- 4 Québec offers direct access to more than 130 million consumers within a radius of 600 miles.
- 5 In Québec, farms cover an area of 3,500,000 hectares.
- 6 Less than 2 per cent of its land is suited to agriculture.
- 7 Québec has half as much arable land as Ontario and one-quarter as much as Alberta.

CONSUMER PROFILE

Culturally, Québec is very different from the rest of Canada. A combination of North American modernity and European charm make this province distinct. Because they have a similar culture to that of Europe, Québécois know how to enjoy their food and often integrate it into their everyday lives. Québécois understand the value of good food and appreciate good food more than other Canadians. As such, Québécois demand quality.

Based on a recent report conducted by a Canadian national marketing magazine, Québécois place importance on their social lives.

- 1 75 per cent of Québécois consider time management their main priority
- 2 41 per cent find it hard to balance work and family demands
- 3 70 per cent would like to reduce their standard of living
- 4 68 per cent would accept a wage cut toward a four-day work week
- 5 66 per cent would slow career plans to enjoy more free time

Québécois obviously have adopted a "work to live" attitude whereas on the whole, Ontario consumers have a "live to work" attitude.

Québec consumers are also very loyal. You will see the loyalty throughout this report, whether it be loyalty to their language, culture or local business, Québécois like things French. Similarly to Ontario, when the local produce season begins in Québec, consumers will buy local first.

CONSUMPTION

Québécois love food. It's not just about nourishment for them, it's about sharing experiences with family and friends. Where Ontario consumers are looking for convenience, Québec consumers are looking to enjoy the process of cooking. They cook from scratch whenever possible.

REGIONAL OVERVIEW

REGIONAL OVERVIEW: QUEBEC

Recent retail statistics show that Québecers are spending more of their disposable income on food than the national average. In fact, when it comes to purchasing food, Québecers outspend Ontarians [per capita]. Surprisingly, Ontarians spend the least amount of their disposable income on food at 7.2 per cent compared with Québec at 9.7 per cent.

When it comes to consumption of produce, Québec consumers receive the same message as the rest of Canada – 5 to 10 a day – through the Canadian Produce Marketing Association. This message is re-iterated by the Québec Produce Marketing Association [QPMA] through a variety of media-rich campaigns and grassroots initiatives.

CONSUMER FAST FACTS:

- 1 In 2003, Québecers spent approximately \$2,077 in food stores; each Ontarian spent only \$1,745 [per capita spending].
- 2 Between 1998 and 2002, food prices have increased by an average of 2.4 per cent per year in Québec.
- 3 29 per cent of Québecers consume at least 5 servings of fruits and vegetables a day; up 1 per cent due to a highly targeted and media-rich campaign by the QPMA.

OVERVIEW OF QUÉBEC AGRICULTURE

- 1 In Québec, farms cover an area of 3,500,000 hectares.
- 2 Less than 2 per cent of Québec's land is suited to agriculture.
- 3 In 2002, there were more than 31,600 farm operations registered with the ministère de l'Agriculture, des Pêcheries et de l'Alimentation (Ministry of Agriculture, Fisheries and Food).
- 4 The majority of Québec farms continue to be family-run and sole proprietorship.
- 5 In 2002, agriculture accounted for \$2.3 billion of the GDP: up by more than 2 per cent from the previous year.
- 6 In 2002, the highest earnings from crop production were from potatoes and ornamental horticulture, with sales totaling \$747 million; nearly 50 per cent of all crop sales.
- 7 Vegetable sales increased by 0.9 per cent in 2002, to \$284.4 million. Top vegetables, other than potatoes, were greenhouse tomatoes, lettuce, carrots, sweet corn, onions, broccoli, cabbage, cucumbers, peppers and green beans.
- 8 Fruit sales decreased by 13.7 per cent to \$84.1 million. Top sellers were apples, blueberries, strawberries and cranberries.

Due to the drastic change in temperature year-round, like Ontario, Québec has a short window on their production season – approximately four months.

REGIONAL OVERVIEW

REGIONAL OVERVIEW: QUEBEC

EXPORT / IMPORT

Québec is a full-fledged member of the major trade and economic networks that make up the continent's economy. This province provides access to more than 130 million consumers within a radius of 600 miles.

Greater Montreal [a newly created city as a result of a merge between several municipalities] has a population of 1.8 million. Greater Montreal is the second largest metropolis in Canada. The Greater Montreal region is located close to major North American markets and has excellent transportation infrastructure. Of Canada's top 25 metropolitan cities, six are located in Québec, again reinforcing the cluster of the Québec population around the shipping corridor.

Quebec's Metropolitan Areas -

TOTAL CENSUS METROPOLITAN AREAS	20,497.4
MONTREAL (QC)	3,574.5
OTTAWA-GATINEAU (ON-QC)	1,132.2
QUEBEC (QC)	705.9
SHERBROOKE (QC)	160.9
SAGUENAY (QC)	155.1
TROIS-RIVIÈRES (QC)	140.6

Currently 88.1 per cent of Québec's exports go to three trading partners: United States, Japan and the European Union. The United States is by far the largest importer of Québec exports, accounting for just over 75 per cent. Québec's primary exports were: pork and pork products, cocoa-by-products, meat [other than pork], fruits and vegetables, prepared foods, marine products and beverages.

REGIONAL OVERVIEW

REGIONAL OVERVIEW: QUEBEC

Québec currently procures its biofood products, which includes fruit and vegetables, from 168 countries; the largest being the United States [see chart below].

Value of Québec Imports of Fruits & Vegetables [Top 10 in CDN\$]:

United States (U.S.)	\$151,399,912	\$173,302,019	\$165,010,008	32.53%
Chile	\$50,023,696	\$58,055,753	\$63,194,317	12.46%
Costa Rica	\$29,175,117	\$27,678,712	\$40,447,164	7.97%
South Africa	\$27,556,726	\$27,910,053	\$29,321,950	5.78%
Colombia	\$22,795,319	\$24,855,253	\$25,563,505	5.04%
Morocco	\$24,180,477	\$26,374,383	\$22,030,240	4.34%
Spain	\$29,870,545	\$26,854,399	\$21,491,045	4.24%
Netherlands	\$10,960,256	\$13,395,632	\$15,328,821	3.02%
China	\$6,749,881	\$8,884,612	\$10,174,052	2.01%
Argentina	\$13,448,929	\$10,498,100	\$9,628,010	1.9%
SUB-TOTAL	\$366,160,858	\$397,808,916	\$402,189,112	
OTHERS	\$86,211,751	\$104,752,006	\$105,031,684	
TOTAL (ALL COUNTRIES)	\$452,372,609	\$502,560,922	\$507,220,796	

For produce imports, the U.S. continues to be Québec's largest supplier with more than 35.5 per cent at a value of CDN\$37,555,119. Of the Southern U.S. states, Florida is by far the largest supplier of fruits and vegetables to Québec.

RETAIL MARKET

Québec currently has 6,742 food stores, which account for province food sales of \$15,551,772,000. Québec is known for having a large percentage of independents. At 4,507, independent stores account for 63.6 per cent of all stores in Québec. Compare that with 3,866 independents in Ontario or only 38.1 per cent of all food stores.

In 2003, chain supermarkets, independents and franchises were all up 5.9 per cent, 3 per cent and 3.7 per cent respectively. Franchise store numbers increased mostly because of upgrading of c-stores – ability to sell meat, fresh produce and other supermarket items. The past year saw a decline in chain supermarkets – from 354 to 285 – as some were closed and others converted to franchise. Even with this, chains increased their share of the market from 35.8 per cent to 36.4 per cent, but remained the weakest nationally.

REGIONAL OVERVIEW

REGIONAL OVERVIEW: QUEBEC

MERCHANDISING IN QUEBEC

There is very limited merchandising activity in the Quebec marketplace. The only chain with point of sale materials in produce is Sobeys Quebec through its IGA banner. Commodity posters with the IGA logo are displayed on attractive signposts, along side tomatoes, green peppers, onions and lettuce.

Although materials are limited, it is evident through the use of price card holders, that origin is of great importance to Quebec consumers, as each price card holder, lists the following origins in order of importance: Quebec, Canada, United States, other origin. It is interesting to note that Quebecers are very loyal and will purchase local product before any other products in the department.

Any materials approved for store level use must be either in French, or bilingual. No English only signage is permitted.

ASSOCIATIONS

The following associations are responsible for the promotion of local-grown fruits and vegetables in the Québec marketplace:

- 1 Québec Produce Marketing Association [QPMA] - www.aqdfi.ca - QPMA is active in implementing partnership programs with shippers/growers/organizations importing into the Québec marketplace.
- 2 Aliments du Québec - www.alimentsduQuebec.com
- 3 Québec Produce Growers' Association – <http://http://www.ajmQuebec.com/index.cfm?fuseaction=home.flash&CFID=7976878&CFTOKEN=492b13f-4dbda0bd-abdc-4a01-af3d-abf453383cc5>

REGIONAL OVERVIEW

REGIONAL OVERVIEW: QUEBEC

THE QUEBEC WHOLESALE MARKET - MARCHÉ CENTRAL

Marché Central is the Quebec Food Terminal for wholesale fruit and produce located in Montreal. Not all Quebec produce wholesalers are situated at this location. Produce from around the world comes to this facility to be sold and distributed into Quebec, Eastern Ontario, the Maritimes [New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland], and some of the northern U.S. States. Fruits, vegetables and bedding plants go through the market yearly. There are warehouse tenants who are wholesaler/importers permanently on-site that buy and sell produce from around the world. Each of these importers lease warehouse space, which includes cold storage, office space, and their own docking facilities for shipping and receiving. The wholesalers source and buy produce directly from growers or shippers as well as from distribution centers that pre-pack from a variety of growers. Several warehouses are also rebagging produce on-site.

Marché Central is open to buyers 24 hours a day, 364 days a year. Buyers include independent retailers, restaurants, institutional buyers, florists and caterers. Larger retailers such as Provigo, Sobeys and Metro Richelieu procure product directly from buying offices in various U.S. locations, but rely on Marché Central for supplementing shortages.

Buyers travel from all over Quebec, the Maritimes, and Eastern Ontario and produce is also shipped to out-of-province buyers and to buyers in the northern states. Buyers travel from several of the northern states due to the close proximity to Montreal and its excellent reputation of good quality produce, but also to take advantage of the exchange rate on the U.S. dollar.

A list of the wholesaler/importers at Marché Central are as follows:

Wholesaler/Importer	Products	Phone #	Website
Canadawide	Produce	514-382-3232	www.canadawidefruits.com
Cooseman's [Diam]	Specialty Produce	514-388-7676	www.coosemans.com
Essex Continental Distributors	Mushrooms	514-745-1222	
Gaétan Bono Inc.	Produce	514-381-8679	
Jirstrek Fruits Inc.	Exotic Produce	514-389-8500	
Place du Producteurs	Quebec Farmers Market	514-387-8319	www.ajmquebec.com
Michel Desjardins Ltée	Produce	514-384-3540	
Marché au Fleurs	Flowers	514-844-7139	
Noel Wilson et Fils	Flowers	514-278-6403	
Tootsi Impex Inc.	Bulk Food incl. nuts	514-381-9790	www.tootsiimpex.com
Willey Haeck et Fils Inc.	Flowers	514-932-3322	
G.B. Laverdure [located across Hwy 40]	Produce	514-385-1300	www.laverdure.com

Place du Producteurs is an area of the market devoted to Quebec produce. This part of the terminal is owned by the Quebec Produce Growers Association and space is rented from this group to Quebec growers only. 150 Quebec growers use this facility to sell their produce. This part of the terminal operates year-round from 12:00 a.m. to 8:00 a.m., seven days a week.

REGIONAL OVERVIEW

REGIONAL OVERVIEW: QUEBEC

QUEBEC WHOLESALE – AVERAGE PRICING FOR IDENTIFIED COMMODITIES

[RESEARCH BASED ON 3 QUEBEC WHOLESALERS – JULY 21, 2004]

Commodity	Variety	Size/Count	Avg Price	# Wholesalers Carrying Item on Survey Date	Origin	% Origin
	w.	coosem	ans.com	□□	□□	□E
		ontin	ental D			
		rs□M	ushroom			
		-122	2□□□□□			
		no	Inc.□Pr			
		-381	-8679□			
		rek	Fruits			
		ic P	roducte			
		500	□□□□□□			
		odu	cteurs			
		rmer	s Marke			
		-83	19□www	aj		
		com	□□□□□□	ch		
		rdin	s Ltee	Pr		
		4-38	4-3540	□□		
		e au	Fleurs	□F		
		14-	844-713	9	□□□□□N	oel W
		et	Fils□FI	ow	ers□514-278-6403	□□□□To
		mpe	x Inc.	Bu	lk Foo d incl. nu	ts□514-3
		0□ww	w.toots	ii	mpex.com□□□□Willey	Haec k et
		Inc.	□Flower	s	514-932-3322□□□□□□□□G.B	. La verdure
		ed a	cross H	wy	40J□Prod uce□514-38	5-1300□w
		erdu	re.com	□		
		u Pr	oducteu	rs		
		rea	of the	ma	rket devo	ted t
		ec pr	oduce.	lh	is par	t of
		rmin	al is o	wn	ed by	the Q
		Prod	uce Gro	we	rs Associ ation	and spac
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		s use	this fa	ci		
		sell	their p	ro		
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		PR	ICING	FO		
		FIED C	OMMOD	IT		
		EARCH	BASED	ON		

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REGIONAL OVERVIEW

REGIONAL OVERVIEW: QUEBEC

QUEBEC WHOLESALE – AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Commodity	Variety	Size/Count	Avg Price	# Wholesalers Carrying Item on Survey Date	Origin	% Origin
	0.	50	9X4\$	20	.5	0
		96	\$24.50			
		120	\$2	3.50	-384-3540 M	arch é au
		s	owers	51		
F		39		el		
		et	Fils	ow		
		278	-6403			
		lm	pex Inc	.		
		d in	cl. nut	s		
		9790	www.t	ootsilm	pe	
		Willey Hae	ck et	Fi		
	Flowe	rs	51	4-932-3	32	2
		G.B.	Laverdu	re	located across	Hwy 40]
		ce	514	-385-13	00	www.la
		Plac	e du Pr	od	ucteurs i	s an
		f the ma	rket de	vo	ted to Qu ebec pr	oduc e. T
		rt of th	e termi	na		
		ed by th	e Quebe	c		
		Growers	Associa	ti		
		pace i	s rent	ed		
		is group to Qu	ebec gr	ow		
		. 150 Queb	ec grow	er		
		is facilit	y to se	ll		
		roduce. Thi	s part	ot		
		minimal operates	year-r	ou		
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		s a w	EEK	EG	REGIONAL OVERVIEW	REGIONAL
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		ERS – J	ULY 21,	2		
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		Essex Cont	ntal D	is		
		s	Mus	hrooms	51	
		22	Gaet	Bono In	c.	
		514-381-867	9	Ji		
	Fruits Inc.	Exo	t	I	C	
	ce	514-389-	8500	P	du Prod	uc
	uebec	Farmer	s Mark	et		

REGIONAL OVERVIEW

REGIONAL OVERVIEW: QUEBEC

QUEBEC WHOLESALE – AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Commodity	Variety	Size/Count	Avg Price	# Wholesalers Carrying Item on Survey Date	Origin	% Origin
		50 lb \$1	5.50	1	US	AT
		A – Box \$16.		00		
		ast 100% B – Ba		g		
		CDA East WUSAT A 50%	5	0%		
		B – Box \$25.00	1			
		Bag \$	19.50	1		
		C – B	ox \$46.	50		
		10 lb \$1	60	3		
		D COMMODITY	Commo	di		
		ty S	ize/Cou	nt		
		ce #	Wholesa	le		
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		-85	00	P		
		Produ	cteurs	Qu		
		mers M	arket	5		
		9 www.	ajmqueb	ec		
		Mich	el Desj			
		ee Pro	duce	5		
		Marche Fleurs		F		
		14-8	44-7139		Noel	Wilso
		ils F	lowers	51	4-278-6	403
		otsi I	mpex In	c.	Bulk Foo	d inc
uts 5	1	4-381-	9790 w	w.	tootsi impex.com	Wil
Haack et F	I	Is Inc. Flowers	514-932	-3	322	
	. Laverdur	e loc	ated ac	ro	ss Hwy 40]	Prod
	14-385-130	0 www.	laverdu	re	.com Pla	ce d u Pr
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	d to Quebe	c pr	o	d	u	c
	is part of	the t	erminal	i	s owned by the Qu	ebec Pro
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		oup to	Quebec	gr		
		ly. 150 Quebe	c growe	rs		
		s faci	lity to	s		
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REGIONAL OVERVIEW

REGIONAL OVERVIEW: QUEBEC

QUEBEC WHOLESALE – AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Commodity	Variety	Size/Count	Avg Price	# Wholesalers Carrying Item on Survey Date	Origin	% Origin
	um	\$1	4.50	1	st	1
		– Ba	g \$19.0	0	CDA East	SATA
				1	t WU	50%
					x \$2	5.00
		– B	ag \$19.	50		
		– B	ox \$46.	50		
		10 lb	\$1.60	3		
		50 lb – Tabl	e \$12.	00		
		50 lb	– A \$	20		
		50	lb – B	\$		
			40 lb	\$2		
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		roup to Queb	ec gro	we		
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		produce. Th	is par	t		
	terminal op	s year-round	d from	12	:00 a.m.	to 8:
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		Essex C	ontinen	ta	I Distr	ibuto
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		4-381-867	9	Ji		
	Fruits In	c.	Exotic	Pr		
	14-38	9-8	500			
	u Producte	urs	Quebe	F		

REGIONAL OVERVIEW

REGIONAL OVERVIEW: QUEBEC

QUEBEC WHOLESALE – AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Commodity	Variety	Size/Count	Avg Price	# Wholesalers Carrying Item on Survey Date	Origin	% Origin
	15	lb – 28 \$10.00	\$1		15	32
			TopX6	10	.33 3 CDA East	100%
		Crate \$12.69	3 SUS	A	CD	A
		5% 25% Sn	ap Peas			
		li	sted \$1	7.		
		temala 100%	Butter	nu		
		\$14.75 2 S	Americ	a		
		Spaghetti	40 lb	\$1		
		SA Mexico 50	% 50%			
		er 40 lb	\$18.2	5		
		0%		De		
		N/A			But	tercu
		b \$22.2	5 2 Mex	ic		
		ala 50	% 50%			
		n \$9.63 2		Gr		
		y \$10.00 1				
		ttercup 40	lb \$22.	25		
		o Guatemala 50%	50%			
		\$9.63 2				
		lb	\$18.25	2		
		% Deli	cious N	/A		
		Buttercu	p 40 lb	\$		
		Mexico Guatemala	a 50% 5	0%		
		Green \$9.63 2				
		40 lb \$18.25 2	USA 100	%		
		lic	ious N/	A	Butter	cup 40 l
		25 2 Mexic	o Guat	em		
		50% Green	reen \$	9.		
			G	re		
		\$10.00 1				
		uttercup 40 l	b \$22.	25		
		o Guatemala	50% 5	0%		
		Green \$9.63	2			
		een	Fancy	\$	10.00 1	p 40 lb \$22.
		exico Guat	emala	50	% 50%	
		\$9.63	2		Green n Fanc	y \$1 0.00
			Yellow	\$1	2.00 1	en \$
			en Fanc	y	\$10.00 1	Yel low
		1				
		Fancy \$	12.00	1		

White \$14.67 2 Tomatoes Plum N/A
UEBEC QUEBEC WHOLESALE – AVERAGE PRICING FOR IDENTIF

REGIONAL OVERVIEW

REGIONAL OVERVIEW

REGIONAL OVERVIEW: QUEBEC

QUEBEC RETAIL – AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:	IGA – Quebec							
Date of Visit:	July 21, 2004							
City:	St. Laurent							
Province:	Quebec							
Commodity	Retail Bulk			Retail Valu Added				
bec	Comm	di	tvReta	il	Bulk	Retai	I Valu	
	Comm	dityReta	il Bul	kRe	tail	Valu Add	e	
	Type	\$Origin	\$Size	F	o	r	m	a
gin	Maci	intosh	\$	1	.	3	9	
A East \$3.29	3 lb Bag	CDA East		Go	Iden	Delic	i	
1.99 lb WUS	ATA							
Delicio	u	s	\$1.99	lb W	USAT	A		
anny Smi	th	1	.	9	9		l	
fric	a		\$5.79 3 lb Bag	Chile	Royal Gal	a \$1.99 l	b	
			Sparta	n	\$3.29 3 l	b Bag CDA		
			Crispi	n N/A		Red		
29 \$0	.79 lb 10	lb	l	n	d	.		
rapped	C	D	A East			Green		
lb In	d	.	Wrapp	ed CD	A Ea	st		
oy \$	0.99 lb l	nd. Wrapp	ed CDA East	Na	pa \$	0.99 lb U	S	
	Russ	et \$3.9	9 5 lb Bag W	USATA		Yukon		
79 5 lb Bag	CDA	E	a	s	t			
White \$0.9	9 lb		C	D	A		E	

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REGIONAL OVERVIEW

REGIONAL OVERVIEW: QUEBEC

QUEBEC RETAIL – AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		IGA – Quebec						
Date of Visit:		July 21, 2004						
City:		St. Laurent						
Province:		Quebec						
	Cooking			<input type="checkbox"/> \$1.29 <input type="checkbox"/> \$2.49 <input type="checkbox"/> \$4.99	<input type="checkbox"/> 2 lb <input type="checkbox"/> 5 lb <input type="checkbox"/> 10 lb	<input type="checkbox"/> Bag	<input type="checkbox"/> CDA East	
	R	ed <input type="checkbox"/> \$1.59	lb <input type="checkbox"/> WUSA	TA <input type="checkbox"/> \$2.	99 <input type="checkbox"/> 2	lb <input type="checkbox"/> B	ag <input type="checkbox"/> WUSA	T
	<input type="checkbox"/> Vid	alia		N	/	A		
	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> S	panish <input type="checkbox"/> \$1	.79 lb		C	h	i	l
	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	White	\$1.09 l	b <input type="checkbox"/> WUSA	TA <input type="checkbox"/> \$2	.99	2 lb <input type="checkbox"/> Ba	g
ATA <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> Corn	12/\$3.99	CDA Ea	st <input type="checkbox"/> \$1	.99 <input type="checkbox"/> 4 pk Shucked/	Tray Pk	C
ast <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> S	n	a	p	Peas	<input type="checkbox"/> <input type="checkbox"/>	\$3.99 <input type="checkbox"/> Lb <input type="checkbox"/>	ray Pack <input type="checkbox"/> G	u
	la <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Butternu	t <input type="checkbox"/> \$1.29		e	a		W
	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		.79 lb	C	h	i	l	e
	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	White <input type="checkbox"/> \$1	.09 lb	W	U	S	A	T
	99 <input type="checkbox"/> 2 lb <input type="checkbox"/> Ba	g <input type="checkbox"/> WU	S	A	T	A		
	orn <input type="checkbox"/> 12/\$3	.99 <input type="checkbox"/> CDA E	ast	\$	1	.	9	9
	<input type="checkbox"/> Shucked/ T ray Pk		C	DA Eas	t <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Snap	Peas <input type="checkbox"/>	
	<input type="checkbox"/> Lb <input type="checkbox"/> Tray P ack <input type="checkbox"/> Gua	t	e	mala <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Butte	rnut <input type="checkbox"/> \$1	.
	<input type="checkbox"/> WUSA	T	A					
		<input type="checkbox"/> \$1.79 lb	<input type="checkbox"/> Chi	l	e			
	<input type="checkbox"/> Whit	e <input type="checkbox"/> \$1.09 l	b <input type="checkbox"/> WUSATA	\$	2	.	9	9
	<input type="checkbox"/> Bag <input type="checkbox"/> WUSAT <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Corn			1	2	/	\$
	CDA E	ast <input type="checkbox"/> \$1.99	<input type="checkbox"/> 4 pk <input type="checkbox"/> Shu	c	k	e	d	/

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REGIONAL OVERVIEW

REGIONAL OVERVIEW: QUEBEC

QUEBEC RETAIL – AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		IGA – Quebec						
Date of Visit:		July 21, 2004						
City:		St. Laurent						
Province:		Quebec						
	Cherry	☐\$2.49	☐Mexico					
		exic	o					
		ico						☐
	Grape☐N/A☐☐☐☐	☐			☐			
	pari☐N/A	☐☐☐			☐		☐	
	ss Ch	ard	N	/	A			
	☐☐Coll	ards		N	/	A		
	☐☐☐	Kale☐N/	A☐☐☐☐☐☐☐☐		☐			
	delion☐N	/	A	☐☐☐☐☐	☐☐	☐Field	☐2/\$0.99	C
ast☐☐☐☐☐☐☐☐		Englis	h☐☐☐\$1.49		l	b		T
	ack☐CDA	East☐☐☐	☐Green B	eans	\$1.99	lb☐C	DA East☐	
	☐	Boston☐\$0	.99 ea☐CD	A		E	a	s
	29☐Ind.☐C	lam☐CDA E	ast☐☐☐☐☐					
	f☐\$0.69	ea☐CDA Ea	st☐☐☐☐☐☐☐☐		☐			
	Leaf	\$0.69 ea	CDA Ea	s	t			
	☐Romain	n	e		\$	0	.	6
	CDA East☐					☐		☐
	heet☐\$1.7	9		l	b		F	O
☐☐☐☐☐☐☐☐☐				Swt	Larg	e☐☐☐☐☐☐☐☐☐	☐☐☐☐	

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REGIONAL OVERVIEW

REGIONAL OVERVIEW: QUEBEC

QUEBEC RETAIL – AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:	Loblaws - Quebec							
Date of Visit:	July 21, 2004							
City:	St. Laurent							
Province:	Quebec							
Commodity	Retail Bulk			Retail Value Added				
bec	Commodity	di	tyReta	il	Bulk	Retai	I Valu	
		CommodityReta	i	I		B	u	
	etail Value Added	TypeVari	e	t	y		\$	
	in \$ SizeForm	atOrigin		Mac	intos	h\$1	.39 lb	C
	st Form	Golden	Deliciou	s\$1.6	9 lb	WUSA	TA	
	ed Deliciou	s\$1.49 l	bW	U	S	A	T	A
	9 3 lbB	agWUSATA		Granny	Smit	h\$1	.49 lbS	A
	\$2.99 3	lb	B	a	g		S	
	a	Roy	al Gala\$	1	.	4	9	
		Sp	artan\$1.	3	9		l	b
	East\$	4.99 3 lb	BagCDA	E	a	s	t	
	Cr	ispinN/A						
	\$0.99	lbCDA Ea	st	Green	\$0.69 lb	CDA East		
	oy\$0.	6	9	lbCDA East			Napa	\$
	lbCDA	East		Rus set\$0	.99 lb WUSA	TA2	/\$0.99\$2	.
	d.B	agFoil5	lbWUSA	TA Yu	kon\$1.99	\$2.	99 5 lbB	a
	East White\$1	.29 lb	W	U	S	A	T	
	99 \$1.99 1	0 lb 5 lb	BagCD	A		E	a	s

REGIONAL OVERVIEW

REGIONAL OVERVIEW: QUEBEC

QUEBEC RETAIL – AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		Loblaws - Quebec						
Date of Visit:		July 21, 2004						
City:		St. Laurent						
Province:		Quebec						
	Cooking			\$1.29 \$2.49	2 lb 5 lb	Bag	CDA East	
	R	ed\$1.99	lbWUSA	T	A			
	Vid	alia\$1.4	9 lbS	U	S	T	A	
	S	panish\$0	.99 lb	W	U	S	A	T
		White	\$1.99 l	b		W	U	S
		Corn	5/\$1.	9	9		S	U
	S n	ap Pea	s\$2.99G	u	a	t	e	m
		Butternu	t\$1.59		l	b		M
			dalia\$	1	.	4	9	
	STA		Spanish		\$	0	.	9
	WUSATA							
	te\$1.99 l	bWUSATA				C	o	r
	\$1.99SUSTA	Snap	Peas\$2.	9	9		G	u
	la	t	t	e	r	n	u	t
	9 lb	Mexico						
	Vidali	a\$1	.	4	9		l	b
	A	Span	ish\$0.99		l	b		W
	White	\$1.99 lb	WUSATA					
	rn5	/ \$1.99SU	STA					S

REGIONAL OVERVIEW

REGIONAL OVERVIEW: QUEBEC

QUEBEC RETAIL – AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		Loblaws - Quebec						
Date of Visit:		July 21, 2004						
City:		St. Laurent						
Province:		Quebec						
	Cherry	□\$3.99 lb	□CDA East	□\$2.49	□Pint	□Clam	□FOODX	
			E	ast□\$2	.49□P	int□C	lam□FOODX	
		a	s	t□\$2.4	9□Pint	Clam	FOODX□□□	□
	ape□□□\$1.99	Pint		C	l	a	m	
	ast□□□□□	Campar	i□□□\$3	.	9	9		1
	□Clam	□CDA		E	a	s	t	
	Swiss C	hard		N	/	A		
	□□□		C	ollards	\$1.69	ea□SUST	A□□	
	Kale		N	/A□□□	□□□□	□Dan	delion□N/	A
□□□□□□Fi	e	ld□□□2/\$0	.99□Ind.	W	r	a	p	p
	A□□□□□			Eng	lish	□□\$1.	29□Ind.□W	r
	□CDA	East□□□□□	Green Be	a	n	s		
	lb□CDA E	ast□□□□□	□□□Bo	s	t	o	n	
	49□Ind.	Clam□CDA Ea	st□□□□□					
	f□\$0.7	9 ea□CDA	East□	□□□□□	□	Red Leaf □\$0.7	9 ea□CDA	
	□□□□□□□□							
	aine□3/\$0.	9	9		e	a		C
	st□□□□□	□		□				
eet□\$1.79		lb□FOODX	\$5.9	9		4		p

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REGIONAL OVERVIEW

REGIONAL OVERVIEW: QUEBEC

QUEBEC RETAIL – AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:	Maxi & Cie [Loblaw Cos. Ltd. Banner] – 75 Quebec locations
Date of Visit:	July 21, 2004
City:	St. Laurent
Province:	Quebec

Commodity		Retail Bulk		Retail Valu Added				
ec	Comm	di	tyReta	il	Bulk	Retai	I Valu	
		CommodityReta	il Bul	kRe	tail	Valu Add	e	
	TypeVariety	\$Origin	\$Size	F	o	r	m	a
	gin	Maci	intosh\$	1.39 l	bCDA	Eas	t\$4.995	
	gCDA East	Gol	den Delic	ious\$	1.69	lbW	USATA	
	Red Deli	cious\$1.	69 lb	W	U	S	A	T
	993 lb	BagCDA E	ast	Gra	nny S	mith	\$1.69 lb	
	ica\$3.9	93	l	b		B	a	g
	rica		Royal Gal	a		\$	1	.
	Chile	Spart	a	n		\$	1	
	bCDA	East\$4.9	95 lbBa	g		C	D	A
		Crisp	inN/A					
	Red\$0.	9	9	lbCD	A Eas	t		
	en\$0.	5	9	lbCD	A Eas	t		
	avoy\$	0.99 lbC	DA East			N	apa\$1.29	l
	Eas	t	Ru	sset	\$3.9	95	lbBagWU	S
	Yuko	\$2	.	9	9		5	
	gUSAW	h	i	t	e			\$

REGIONAL OVERVIEW

REGIONAL OVERVIEW: QUEBEC

QUEBEC RETAIL – AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		Maxi & Cie [Loblaw Cos. Ltd. Banner] – 75 Quebec locations						
Date of Visit:		July 21, 2004						
City:		St. Laurent						
Province:		Quebec						
	Cooking			\$1.99	3 lb	Bag	CDA East	
	R	ed\$1.99	lbWUSA	T	A			
	Vid	alia\$1.2	9 lbS	U	S	T	A	
	S	panish\$0	.99 lb	W	U	S	A	T
		White	\$1.99 l	b		W	U	S
		Corn	6/\$1.99	C	D	A		E
	S n	ap Peas	\$2.9	9		l	b	
		Butternu	t\$0.99		l	b		M
			9 lbSU	S	T	A		
	S	panish\$0	.99 lb	W	U	S	A	T
	W	hite		\$	1	.	9	9
	USATA	Corn	6/\$1.	9	9		C	D
	t Snap P	eas		\$	2	.	9	9
	SA Bu	tter	n	u	t		\$	0
	b Mex	ico	Spa	g	h	e	t	t
	99 lb	Mexi	c	o				
	Pepper	\$0.99 lb	Mexico					
	Delicious N/A							
	paghe	tti\$0.99	lbMexic	o				

REGIONAL OVERVIEW

REGIONAL OVERVIEW: QUEBEC

QUEBEC RETAIL – AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		Maxi & Cie [Loblaw Cos. Ltd. Banner] – 75 Quebec locations						
Date of Visit:		July 21, 2004						
City:		St. Laurent						
Province:		Quebec						
	Cherry			\$1.99	Pint	Clam	Mexico	
		amM	e	x	i	c	o	
		Mex	i	c	o			
	GrapeN/A							
	pariN/A							
	ss Ch	ard	N	/	A			
	Coll	ardsN/A						
	eN/A		Dandel	i	o	n		\$
	eaSUSTA					Field2/	\$0.99 ea	M
		English	\$0.99In	d	.		W	r
	CDA Ea	stG	reen Bean	s\$2.	99 lb	CDA	East	
	Bosto	n\$0.99 e	aCDA Eas	t		\$	1	.
	d.ClamC	DA East	Le	a	f		\$	0
	aCDA Ea	st	Red		L	e	a	f
	9 eaC	DA East						
	aine\$0.69		e	a		C	D	A
	et\$0.99		l	b		F	O	O
		Swt La	rge					

REGIONAL OVERVIEW

REGIONAL OVERVIEW: QUEBEC

QUEBEC RETAIL – AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		Metro – 244 Quebec locations						
Date of Visit:		July 21, 2004						
City:		St. Laurent						
Province:		Quebec						
Commodity		Retail Bulk		Retail Valu Added				
bec	Comm	di	tyReta	il	Bulk	Retai	I Valu	
				Commodity	Ret	ail Bulk		
	I Valu Added	Type	Variety	\$		O	r	i
	Siz eFormat	Origin	Ma	c	i	n	t	o
	\$3.99 4 lb	gCDA East	t		G	o	l	d
	licious\$1.	59 lbWUS	ATA					
	ed Delic	ious\$1.7	9 lb		W	U	S	A
		G	r	a	n	n	y	
	\$1.	5	9	lbS Afr	ica	Royal		G
	1.59 l	b		Chile	Spar	tan\$1.39		
	A							
	spin	N/A						
	Red\$	1	.	29 lb Ind. Wrapped	CDA East	Green\$1.39 l	bInd. Wrapped CDA East	
	Savoy	N	/	A		Napa	N/A	
		Russet	\$1.99\$2	.49\$3	.99\$3	pk	5 lb	5
	oil/	t	r	ayBag	Bag	CDA	EastCDA	E
	USATA		Y	ukon	\$2	.49\$5 lb	BagCDA	E
	White\$0	.	7	9			l	b

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REGIONAL OVERVIEW

REGIONAL OVERVIEW: QUEBEC

QUEBEC RETAIL – AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		Metro – 244 Quebec locations						
Date of Visit:		July 21, 2004						
City:		St. Laurent						
Province:		Quebec						
	Cooking	□\$0.69 lb	□CDA East	□\$2.49 □\$1.29	□5 lb □2 lb	□Bag	□CDA East	
	R	ed□\$1.99	lb□WUSA	T	A			
	□Vid	alia	□N/A□S	U	S	T	A	
	□□□S	panish□\$1	.99 lb	W	U	S	A	T
	□□□□□	White	\$1.79 l	b		W	U	S
□□□□	□		□	Corn	□□□\$2	.99□5 pk Shucked/	Tray	P
STA□□□□□S	n	a	p		P	e	a	s
	□□□□□□□	But	t	e	r	n	u	t
	□□□□□□□□		d	a	l	i	a	
	USTA□□	□□□□		□				
	nish□\$1.99	lb	W	U	S	A	T	A
	□□□□Wh	ite	\$	1	.	7	9	
	SATA□□□□□□ □□Cor	n		□□□\$2.99	5 pk	Shucked/ T	ray Pk□SU	S
	□□Snap Pe as□□□	□□□	□		□			
	ternu	t□N/	A					
	□□□Spa	ghet	t	i		N	/	A
	□□□□□□□P	epper□N/A	□□□□□□□□	□			r	n
	2.99□5 pk□Sh ucked	/ Tray Pk	□SUSTA□□□		□		S	n
	as□	□□□□□□□□	Butte	r	n	u	t	

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REGIONAL OVERVIEW

REGIONAL OVERVIEW: QUEBEC

QUEBEC RETAIL – AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		Metro – 244 Quebec locations						
Date of Visit:		July 21, 2004						
City:		St. Laurent						
Province:		Quebec						
	Cherry			\$2.99	Pint	Clam	CDA East	
		CDA		E	a	s	t	
		D	A	East		Grape	N/A	
	Campari	\$2.	9	9		1	.	1
	lam CDA E	ast						
	ss Ch	ard	N	/	A			
	Coll	ards		N	/	A		
		Kale N/	A					
	Dandelio	n		N/A		Fi	eld 2/\$1.	4
A		E	n	glish	\$	0.99 Ind	. Wrapped	
	ast	Green B	eans	\$	1.99 l	b Tra	y pk	CDA East
	Bosto	n \$0.99 e	a CDA Eas	t		\$	1	.
	d. Clam C	DA East	Le	a	f		\$	0
	a CDA Ea	st	Red		L	e	a	f
	9 ea C	DA East						
	aine \$0.79		e	a		C	D	A
	et \$1.79	l	b		C	D	A	
				Swt La	rge			

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REGIONAL OVERVIEW

REGIONAL OVERVIEW: QUEBEC

QUEBEC RETAIL – AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:	Provigo [Loblaw Cos. Ltd. banner] – 170 Quebec locations							
Date of Visit:	July 21, 2004							
City:	St. Laurent							
Province:	Quebec							
Commodity	Retail Bulk			Retail Valu Added				
bec	Com	di	tyReta	il	Bulk	Retai	I Valu	
	Com	di	tyReta	il Bul	ail V	ded	ty	
	riety	Size	at	i	n		r	
	Origin	Form	Orig					
	in	Macintos	h		l	b	C	
	st	9	lb	A		E	a	s
	Golden	Deliciou	s	9		l	b	
	A	Red	Deliciou	s		\$	1	.
	WUSATA							
	nnny	Smith	59 lb	f	r	i	c	a
		Royal	Gala	9		l	b	
	rtan	\$1.49		l	b		C	D
	t			Cri	spin	N/A	R	
	.99 lb	CDA		East		Green	\$	
	lb	East		Sav		Napa	A	
	ssset			3/\$0.	99	oil Wrap	W	
		Y n		N/A	2.99	Bag	E	
	White	e		2	9	l	b	

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REGIONAL OVERVIEW

REGIONAL OVERVIEW: QUEBEC

QUEBEC RETAIL – AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		Provigo [Loblaw Cos. Ltd. banner] – 170 Quebec locations						
Date of Visit:		July 21, 2004						
City:		St. Laurent						
Province:		Quebec						
	Cooking			□\$2.49 □\$1.29	□5 lb □2 lb	□Bag	□CDA East	
	R	ed□\$1.99	lb□WUSA	T	A			
	□Vid	alia		N	/	A		
	□□□S	panish□\$0	.99 lb	W	U	S	A	T
	□□□□□	White	\$1.99 l	b		W	U	S
□□□□	□	□□Corn	□6/\$2.49	C	D	A		E
□□□□□□□S	n	ap Peas	\$3.99 lb□G	u	a	t	e	m
	□□□□□□□	Butternu	t□\$1.99		l	b		M
	□□□□□□□□		a□N/A□					
	Spanish	□\$0.99 lb	□WUSATA					
	White□\$	1.99		l	b		W	U
	□□□□□□□□	Corn		6	/	\$	2	.
	A East□□□□ □□□□S	nap Peas	□\$3.99 lb		G	u	a	t
	□□□□□□□□ Butt	ernu	t		\$	1	.	9
	Mexic	o□□□□□□□	□□□□Spagh	e	t	t	i	
	lb□Me	xico						
	Pepper□\$1	.99 lb□Me	xico□□□□		□		□	
	icious□N/A□ □□□□	□□□□□□But	tercup□N/	A				
	□□□□Z	ucchini –	Green□\$1	.	2	9		l

C

REGIONAL OVERVIEW

REGIONAL OVERVIEW: QUEBEC

QUEBEC RETAIL – AVERAGE PRICING FOR IDENTIFIED COMMODITIES

Store:		Provigo [Loblaw Cos. Ltd. banner] – 170 Quebec locations						
Date of Visit:		July 21, 2004						
City:		St. Laurent						
Province:		Quebec						
	Cherry			\$2.49	Pint	Clam	Mexico	
		am M	e	x	i	c	o	
			M	exico		Grape	N/A	
	Campari	\$2.	9	9		1	.	1
	lam CDA E	ast						
	ss Ch	ard	N	/	A			
	Coll	ards		N	/	A		
		Kale N/A						
	delion N	/	A			Field	2/\$1.29	e
A		English	\$1.79 In	d	.		W	r
	CDA Ea	st					G	r
	eans	\$1.99 lb	CDA East					
	Boston	N/A						
	Leaf	\$0.79 ea	CDA East					
	Red Le	a	f	N/A		Ro maine	\$0.79 ea	
	ast	Swe	et \$	4	.	9	9	
	Tray – 4 c	o	l	o	r		H	o
			S	w	t		L	a
\$1.99 lb	F	OODX						

S
w
t

Jumbo

Chopper

Eggplant \$1.29 lb USA

import figures over the last five years there were constant increases in imported commodities from 1997 until 2002. Conversely, 2003 shows a dramatic decrease in imports from

COMPETITION: OVERVIEW: IMPORTS

shown a steady increase over the last five year into Ontario and Quebec topping CDN \$1 million in sales in 2003, California, Oregon, Texas, Washington, Georgia, Idaho, Arizona, Michigan, New Mexico and Nevada collectively shipped over CDN \$ 26 million that same year. Ontario and Quebec combined produced close to 600,000 pounds of onions in 2003.

Cabbage production in Quebec and Ontario and cabbage imports into the central Canada from the US, have decreased significantly over the last five years. This commodity once considered a staple in the Canadian household has fallen out of favour as other vegetable sku's offering valued-added propositions have become more popular, such as broccoli flowerets, peeled, cut squash and sliced mushrooms.

More affordable and interesting fruit and vegetable varieties in the produce section have also diminished cabbage's once revered status. More storage facilities in both provinces have also presented an excess situation.

Cucumbers from Florida, North Carolina and Georgia represented CDN \$6.4 million worth in imports to central Canada for 2003. New Jersey shipped CDN \$ 1.1 million worth into the Ontario and Quebec marketplaces, however a significant decline by half from the previous year. The significant decrease may be a result of the burgeoning greenhouse industry in both Canadian provinces.

COMPETITION:

OVERVIEW: IMPORTS

Fresh bean shipments from Pennsylvania, New Jersey and New York have fluctuated dramatically over the last five years while shipments from Florida, Michigan and Georgia have remained constant. Considering bean production in Pennsylvania, New Jersey and New York coincides with bean production in Ontario and Quebec this may explain the radical movement from those states.

The number one state for exports in apples to Ontario and Quebec is Washington. Although both Ontario and Quebec have a stable apple industry, which produced over 223,000 tons in 2003, central Canada still imported CDN \$ 52 million of fresh apple product from Washington State alone. Shipments from Pennsylvania, New York and New Jersey in 2003 were collectively worth CDN \$ \$4.6 million in contrast.

Florida is the largest shipper of fresh corn to central Canada, exporting CDN \$7.5 million in 2003. New Jersey and New York shipped CDN \$ 3.7 million collectively, however over the past 5 years shipments from these two states have decreased by 96%.

Squash from Florida and Georgia represented CDN \$ 2.8 million in 2003, while the same commodity represented CDN \$1 million from New Jersey, Pennsylvania and New York collectively. Interestingly squash is also imported into central Canada from Arizona, California, North Carolina, Michigan, South Carolina, Washington, Texas, Virginia and Mississippi which represented CDN \$ 2 million in 2003. However, these numbers reflect significant decreases from all states in most cases by half over the previous year.

The last five years in the Canadian marketplace have changed dramatically in the produce arena. More and more produce is appearing at foodservice, the retail markets have expanded not only the square footage of the department but have incorporated more sku's. A large number of these sku's are value-added products, such as bagged salad, fresh cut packaged vegetables and prepared "ready to serve" vegetables. This clearly demonstrates the Canadian appetite for healthy food choices but most importantly the need for convenience and quick meal preparation.

EXPORTS TO CANADA BY MAJOR COUNTRIES

COUNTRY	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	02/01
VALUE (IN \$CAN MILLION)												
United States	2128.9	2359.2	2388.0	2548.8	2546.1	2848.1	3085.9	3131.6	3322.6	3530.0	3625.1	2.7%
Mexico	103.5	131.7	144.3	192.7	206.0	218.2	251.9	239.3	245.7	285.6	318.3	11.4%
Chile	122.7	117.4	119.9	130.4	148.2	139.1	129.3	147.7	157.1	172.6	197.3	14.3%
Brazil	142.5	113.5	123.9	90.6	139.1	124.1	127.0	149.1	150.0	136.5	153.0	12.1%
ASIA	170.2	170.7	183.2	182.4	212.6	208.4	218.2	256.3	272.8	298.0	343.3	15.2%
Eur. Union	159.3	202.1	208.2	201.1	198.0	234.2	246.7	270.4	284.3	291.0	272.7	-6.2%
OCEANIA	70.6	67.0	56.	2 45.4	61.9	69.1	64.1	69.0	58.3	51.4	57.9	12.6%
Others	417.7	429.6	479	565.7	587.4	594.7	637.2	690.3	657.7	709.7	801.4	12.9%
TOTAL	3,315.4	3,591.2	3,702.7	3,957.1	4,099.3	4,435.9	4,760.3	4,953.6	5,148.5	5,474.8	5,769.0	5.4%

Source: Statistics Canada, World Trade Atlas * Preliminary data (1) % Change 2002 from 2001

COMPETITION:

OVERVIEW: DOMESTIC PRODUCTION

ONTARIO AND QUEBEC CROP PRODUCTION (IN TONS)

COMMODITY	PROV	1997	1998	1999	2000	2001	2002
Greenhouse Tomatoes	ON	51,729	88,200	117,520	143,850	160,060	164,913
Tomatoes	ON	544,430	597,993	565,930	450,490	533,440	620,000
Potatoes	ON	352,009	351,918	350,784	343,027	359,176	315,901
Beans	ON	17,500	25,103	30,490	22,385	15,888	23,260
Cabbage	ON	42,450	68,450	65,280	49,075	51,478	46,250
Corn	ON	237,000	231,438	240,150	164,663	214,500	182,600
Greenhouse Cucumbers	ON	39,994	113,660	77,045	83,746	89,726	68,250
Cucumbers	ON	36,090	39,075	49,173	52,750	46,405	53,550
Onions	ON	91,925	86,943	82,813	98,343	115,313	78,150
Eggplant	ON						N/A
Lettuce	ON						N/A
Green Peppers	ON						N/A
Squashes	ON						N/A
Leafy Greens	ON						N/A
Apples	ON	271,483	252,390	365,250	289,750	266,250	127,515
COMMODITY	PROV	1997	1998	1999	2000	2001	2002
Greenhouse Tomatoes	QC	12,965	13,949	12,886	11,265	13,693	14,604
Tomatoes	QC	15,913	13,288	9,888	8,370	11,610	10,100
Potatoes	QC	454,981	475,031	460,016	474,487	479,431	456,886
Beans	QC	24,800	29,685	30,793	41,615	28,220	28,500
Cabbage	QC	74,763	81,725	81,520	87,448	73,330	66,700
Corn	QC	117,940	108,165	95,000	89,295	77,580	85,980
Greenhouse Cucumbers	QC						2,900
Cucumbers	QC	28,633	30,000	36,830	36,210	32,435	32,500
Onions	QC	66,750	69,228	75,780	74,963	68,950	67,750
Eggplant	QC						N/A
Lettuce	QC						N/A
Green Peppers	QC						N/A
Squashes	QC						N/A
Leafy Greens	QC						N/A
Apples	QC	94,788	73,350	130,503	98,425	102,902	96,110

**Note the steady increase of greenhouse production over the last five years in both Ontario and Quebec and the decrease in production, in 2002, for many of the commodities above. Statistics Canada did not have available statistics for Eggplant, Lettuce, Green Peppers, Squash and Leafy Greens individually for Ontario and Quebec.*

OPPORTUNITIES AND CHALLENGES FACING U.S. EXPORTERS

Canada is an officially bilingual country	All imported product must adhere to the bilingual labelling requirements.
Canadian consumers enjoy a high disposable income, coupled with a growing interest in global cuisine.	Due to consolidated landscape, pricing must be competitive. Furthermore, lower value of the Canadian dollar forces Canadian buyers to demand yet even lower prices from US suppliers.
U.S. food products match Canadian tastes and expectations.	Ontario And Quebec residence are local to locally grown products.
Due to climate Canada cannot grow agricultural commodities for the majority of the year; retailers dependent on global supply chain management for consistent supply.	Trade buyers are continually sourcing from larger consortiums to maintain consistent supply. Often contracts are negotiated for a full year prior to season. As well greenhouse production and increased CA storage are providing Canadians with local product beyond the typical season.
U.S. food manufacturers are currently developing flavour profiles not currently seen in the Canadian market.	Retailers are charging suppliers with the responsibility of moving the commodity through marketing means or high listing/placement fees.
Canada's strengthening dollar is an advantage for U.S. exporters.	Food processing practices, food labelling, including bilingual packaging requirement, and nutritional content claims are highly regulated.
Fruit and vegetable consumption in Canada is substantially higher than that in the U.S.	Canadian retailers demand suppliers utilize latest technology [UPC, PLU coding, EDI, RFID etc.]
Retail consolidation means fewer retailers to approach when soliciting listing agreements.	Retailers are interested in category extension, not cannibalization. Products entering the market must be innovative; not "me too."
Category management has allowed retailers to maintain consistent supply and margins. Suppliers who conduct such services are favoured.	Category Management is forcing a reduction in listings based on a lack of product performance unless consumer mandatory. Retailers encourage manufacturers to execute category management internally, which ultimately increases price point at retail.
Canadian demographics have changed dramatically over the past 15 years. Immigration, smaller family sizes and an aging population have changed the demographic landscape. Consumers are demanding ethnic products and smaller portion sizing.	Canada has a very high ethnic population [the three largest cities consist of more than 1/3 new Canadians]. Retailers are sourcing food stuffs to meet ethnic demand which has shifted over the last 20 years from European to Asian therefore demand for typically traditional commodities has decreased. Demand for smaller food stuffs such as baby vegetables and one person packaging is becoming more prevalent.
From 1997 to 2001 food sales in Ontario increased 11% while food sales in Quebec increased 10% over the same period.	Increased world production and better logistics has made more skus available to Canadian consumers hence increasing the competition for stomach share at retail.
Canadian consumers are time starved and always looking for value-added products to enhance their lifestyle. Suppliers willing to develop healthy innovative products will win market share.	Value-added products are expensive to produce. The end-user price must not exceed the perceived value to consumers.
Value-added products for the foodservice industry that provide cost portion savings and higher profits for meal opportunities are revered.	Processed commodities are scrutinized heavily by the CFIA [Canadian Food Inspection Agency] for regulatory requirements. HACCP certification is mandatory
A rising number of Canadians are predisposed to purchase organic products.	Canadian organic certification is not federally universal. Each province has its own certification standards.

OPPORTUNITIES AND CHALLENGES FACING U.S. EXPORTERS

PRODUCT CATEGORY	MAJOR SUPPLY SOURCES IN VALUE	STRENGTHS OF KEY SUPPLY COUNTRIES	ADVANTAGES/DISADVANTAGES OF LOCAL SUPPLIERS
FRUITS & VEGETABLES NET IMPORTS: VEGETABLES: CDN\$1.9 BILLION FRUIT: CDN\$2.3 BILLION	VEGETABLES: 1. U.S.: 79% 2. Mexico: 11% FRUIT: 1. U.S.: 43% 2. Chile: 7% 3. Colombia: 7% 4. Costa Rica: 5% 5. Mexico: 4%	<ul style="list-style-type: none"> ■ The U.S. benefits from export access into Canada during Canada's winter or non-growing months. ■ Mexico is gaining ground due to lower prices and its growers ability to meet Canadian retail needs with respect to grading, packaging and quality. 	<ul style="list-style-type: none"> ■ Agriculture is Canada's second-largest natural resource-based industry. ■ Canada is a world leader in the development of programs to manage hazards which may affect food production. ■ Canada has a thriving greenhouse subsector and some of the most advanced storage technologies in the world. ■ Potatoes, sweet corn and green peas are the most extensively grown vegetables. ■ Seasonality poses a constraint to growers; Canada imports 80 per cent of its fresh vegetables between November and June.

PACKAGING INNOVATIONS

Manufacturers continue to be innovative in the production of packaging materials for fresh fruits and vegetables. New plastics and modified atmosphere packaging techniques are being introduced to preserve the quality and extend the shelf life of perishable products. Life science applications are beginning to impact in this area as well, with products like edible film wraps made from broccoli, oranges, carrots, strawberries and other fruits and vegetables designed as oxygen barriers to improve shelf life and quality. Newer biodegradable and recyclable products are also being introduced.

JUST IN TIME DELIVERY STANDARD

Cross docking, reducing inventories and overheads, and meeting customer needs with "Just in time delivery" is becoming standard practice in the fresh fruit and vegetable's distribution sector. Distributors are receiving produce in one door and shipping it out another within hours of its arrival in an attempt to reduce warehousing costs and deliver the freshest quality product to customers. This is enhanced by the Electronic Data Interchange (EDI) systems being customized to this sector.

OPPORTUNITIES AND CHALLENGES FACING U.S. EXPORTERS

CATEGORY MANAGEMENT

The basic principle of Category Management is that major retailers are increasingly looking to pass back full responsibility to nominated suppliers (the category captain) for all procurement, marketing, logistics, technical support, promotion, market research, training and R&D work. Each of the leading retailers is developing its own particular "brand" of category management to suit its particular needs, but a common feature is that they are invariably looking to reduce further the number of suppliers that they deal with on a direct basis.

NEW TECHNOLOGY

Standardized Universal Product Codes (UPC's) and Price Look Up (PLU's), Efficient Consumer Response (ECR), Efficient Foodservice Response (EFR), Case Coding, and EDI together make up an electronic category management system for distributors of fresh fruit and vegetables, and groceries in general. The paperless, electronic system is allowing for improved management in the flow of product from producer through to the consumer. Each of the platforms of category management are in various stages of evolution and affect various stages of the movement of product. Efforts are being made to ensure the management system is standardized and consistent across North America and (removed "eventually") worldwide. With the proliferation of information technology, retailers and farmers increasingly have the potential to identify the buying habits of consumers. In the future, this information, if used appropriately, could have a great impact on product mix, inventory control (e.g. just in time delivery and continuous replenishment), pricing, promotional activity, agricultural production for the benefit of producers, distributors and consumers.

NUTRITIONAL LABELING

On January 1, 2003, Health Canada released Regulations on nutritional labelling of pre-packaged foods. Notice that these Regulations exempt fresh fruit and vegetables from nutritional labelling. Food labels will now list the content calories and the nutrient content in a stated amount of food for fat, saturated and trans fat, cholesterol, sodium, carbohydrate, fibre, sugars, proteins, Vitamin A and C, calcium and iron. Many of the nutrients listed will be expressed as percentage of a daily value based on recommendations for healthy eating. For the first time in Canada, the new regulations will also allow diet-related health claims pertaining to reducing the risk of heart disease, cancer, osteoporosis and high blood. While it has been long known that eating a balanced diet of grains, fruit, vegetables, and meat or meat substitutes will provide our daily needs in fat, carbohydrate, protein, vitamin and minerals, it is now well recognized that "A healthy diet rich in a variety of vegetables and fruit may help reduce the risk of some types of cancer.

OPPORTUNITIES AND CHALLENGES FACING U.S. EXPORTERS

FOOD SAFETY AND QUALITY

Food safety has always been important to consumers, but recent high-profile events around the world have raised their awareness and expectations. In addition to food safety, consumers are increasingly knowledgeable and discerning in their food purchases and are demanding greater choice. Many suppliers are developing systems that demonstrate to both existing and potential customers that their products meet the specifications demanded by consumers. At the same time, these suppliers are taking advantage of changing consumer preferences to gain new markets and develop niche markets with potential price premiums.

The Canadian On-Farm Food Safety Program (COFFSP) provides an opportunity for national commodity associations to develop the strategies and the necessary tools to educate producers and to initiate implementation of on-farm food safety initiatives consistent with the Hazard Analysis Critical Control Point definitions and principles established by the Codex Alimentarius Commission and with the Food Safety Enhancement Program being implemented by the Canadian Food Inspection Agency. The CHC is the national leader in developing On-Farm Food Safety guidelines for horticulture in Canada. The guidelines and training program have been funded both by the industry and as part of COFFSP administered by the Canadian Federation of Agriculture with CARD funding.

TRACEABILITY

Traceability addresses how a product can be traced through the supply chain. CPMA and PMA created in November 2002 a joint task force to tackle traceability (CPMA/PMA Traceability Task Force). This group is to produce a “best practices” document that will serve as a road map for the industry for implementing traceability. The guidelines will reference PMA’s Pallet and Case Coding best Practices document and build on the work done in the international produce community, such as the Fresh Produce Traceability Guidelines (FPTG), an initiative coordinated by Brussels-based EAN International (European Article Numbering). More information on EAN available at: <http://www.ean-int.org/index800.html>.

BEST PRODUCT PROSPECTS:

PRODUCTS PRESENT IN THE MARKET WITH GOOD SALES POTENTIAL:

Based on AC Nielsen Categories valued at CDN\$100 million or more annually and with growth of greater than five per cent.

*Tariff Rate may include "within-access commitment" and "over-access commitment" levels.

*Within access commitments, NAFTA allows most food products originating from the U.S. to enter Canada tariff free with a qualified certificate of origin. Over-access tariff rates and anti-dumping duties may be applicable. Contact the Canada Customs and Revenue Agency for more detailed information on your specific product.

Product Category	2001 Market CDN	2001 Imports	5-Year Average Annual Import Growth	Import Tariff Rate*	Key Constraints Over Market Development	Attractiveness for U.S. Exporters
FRESH FRUITS AND BERRIES		\$1.8B	3.5%			
Fresh Fruit	\$2.1B Change Over 2000: 9%			Range includes Free to 10.5%	<ul style="list-style-type: none"> ▪ Stringent grade requirements for 13 fruit products. ▪ A USDA inspection certificate is required for the shipment of apples from the U.S. ▪ Increased international trade has resulted in a surge in growth of less traditional fruits and vegetables, such as guavas, mangos and kiwis. 	<ul style="list-style-type: none"> ▪ Due to climate, Canada is dependent on fruit grown elsewhere throughout the majority of the year. ▪ Fresh Produce, along with Fresh and Cured Meats and Poultry, is among the fastest-growing segments in the grocery store. ▪ Fresh Fruit is one of seven leading segments representing more than 40 per cent of total grocery sales.

BEST PRODUCT PROSPECTS:

PRODUCTS PRESENT IN THE MARKET WITH GOOD SALES POTENTIAL:

Product Category		2001 Market CDN	2001 Imports	5-Year Average Annual Import Growth	Import Tariff Rate*	Key Constraints Over Market Development
FRESH VEGETABLES		\$1.5B	5.2%			
Fresh Vegetables	\$2.3B Change Over 2000: 9%			Range includes Free to 12.5%	<ul style="list-style-type: none"> Stringent grade requirements for 17 vegetable products. A USDA inspection certificate required for shipment of U.S. onion and potatoes. Increased international trade has resulted in a surge in growth of less traditional vegetables, such as Chinese cabbage, garlic and leeks. 	<ul style="list-style-type: none"> Due to climate, Canada is dependent on vegetables grown elsewhere throughout the majority of the year. Fresh Produce is among the fastest-growing segments in the grocery store. Fresh Vegetables is one of seven leading segments representing more than 40 per cent or total grocery sales.
OTHER VEGETABLE AND VEGETABLE PREPARATIONS		\$1.1B	4.3%			
Refrigerated Bagged Salads	\$143M Change Over 2000: 16%			8%	<ul style="list-style-type: none"> A few major distributors currently dominate the marketplace. 	<ul style="list-style-type: none"> A leading category with some of the fastest sales increases within the perishables segment, reflective of increased demand for convenience.
BEVERAGE		\$1.9B	7.2%			
Shelf Stable Juices/Drinks/Ne ctars and RTS Tea	\$1B Change Over 2000: 9%			Range includes Free to 12.5%		<ul style="list-style-type: none"> Ranked fourth for single-largest sales reported for dry grocery segment. Fastest growing –shelf stable juice

BEST PRODUCT PROSPECTS:

PRODUCTS NOT PRESENT IN SIGNIFICANT QUANTITIES BUT WITH GOOD POTENTIAL:

Based on Categories valued at CDN\$30 million or less annually and with growth of greater than 10 per cent.

*Tariff Rate may include "within-access commitment" and "over-access commitment" levels.

*Within access commitments, NAFTA allows most food products originating from the U.S. to enter Canada tariff free with a qualified certificate of origin. Over-access tariff rates and anti-dumping duties may be applicable. Contact the Canada Customs and Revenue Agency for more detailed information on your specific product.

Product Category	2001 Market CDN	2001 Imports	5-Year Average Import Growth	Import Tariff Rate*	Key Constraints Over Market Development	Attractiveness for U.S.
OTHER VEGETABLE AND VEGETABLE PREPARATIONS		\$1.1B	4.3%			
Pickled Mixed Vegetables	\$2M Change Over 2000: 33%			Free		<ul style="list-style-type: none"> Among the fastest-growing individual product categories for non-perishable foods/beverages.
Canned Beans – Remaining [not Baked Beans]	\$11M Change Over 2000: 14%			8%		

BEST PRODUCT PROSPECTS:

PRODUCTS NOT PRESENT BECAUSE OF SIGNIFICANT BARRIERS:

Due to the complexity of the legislative requirements, it is recommended to contact a Canadian Food Inspection Agency Import Service Centre to obtain complete and current information regarding your specific product. The Canadian Food Inspection Agency is responsible for the inspection of food products at all levels of trade. Following are the restrictions which could inhibit certain products from entering the country:

TARIFF RATE QUOTA [TRQ]:

Under the General Agreement on Tariffs and Trade [GATT], with a supply management system in place for certain commodities, Canada is permitted to control and limit imports. With the signing of the World Trade Organization's [WTO] Agreement on agriculture in December 1993, Canada converted its existing agricultural quantitative import controls to a system of tariff rate quotas [TRQs] which came into effect in 1995.

Under the TRQ system, product up to a certain volume is imported at the "within access commitment" tariff rate. Over this permitted level the "over-access commitment" tariff rate escalates. These higher tariffs enable Canada to maintain its system of orderly supply management for certain agricultural products.

The method for establishing the allocation of import access quantities is prescribed in the *Export and Import Permits Act* and administered by the Export and Import Controls Bureau [EICB] of the Department of Foreign Affairs and International Trade [DFAIT]. Documentation on the allocation system and principle of TRQ allocation, together with data on permits issued can be found at: www.dfait-maeci.gc.ca/eicb/.

Issuance and control of import quota is administered by the EICB in collaboration with the Customs arm of Revenue Canada.

HEALTH CANADA:

Health Canada continues to develop standards and policies for the safety of the food supply, which are applied by the Canadian Food Inspection Agency.

All foods sold in Canada are subject to the *Food and Drugs Act and Regulations*, which contains health and safety requirements, labelling requirements and provisions preventing deception and fraud. However, many agricultural and fish products are also subject to other legislation. Consequently, the need for licensing, permits and certificates depends upon the type of food being imported and, in some cases, on the country or area from which the food is imported. It should be noted that in some provinces there are additional requirements for certain foods, such as dairy products, margarine, bottled water and maple syrup.

The *Food and Drug Regulations* outlines specifications and further requirements for standardized and non-standardized products. Specific division regulations outline requirements for standardized products, while non-standardized products must also conform to standards for each of the following:

BEST PRODUCT PROSPECTS:

PRODUCTS NOT PRESENT BECAUSE OF SIGNIFICANT BARRIERS:

Food Additives: In the absence of specifications under the *Food and Drug Regulations*, food additives must conform to specifications in the Food Chemicals Codex (as required by Section B.01.045 of the *Food and Drug Regulations*).

Food Colour: Synthetic food colours are the only additives that must be certified by the Health Products and Food Branch, Health Canada before being used in foods. Regulations concerning food colours are listed in Division 6, and Table III of Division 16 of the *Food and Drugs Regulation*.

Foods for Special Dietary Use, Including Weight Loss: The composition and labelling of foods for special dietary use are regulated under Division 24 of the *Food and Drugs Regulations*.

Example: Becel Pro-activ margarine, containing plant sterols, is not allowed in Canada.

Novel Foods: The *Novel Food Regulations* under the *Food and Drugs Act and Regulations* (Division 28) establishes a clear and stringent process for evaluating the safety of novel foods. Manufacturers and importers of novel foods are required to notify Health Canada of their intention to market a new product in Canada, before sale or advertisement for sale. This pre-market notification permits Health Canada to conduct a thorough safety assessment of the proposed product.

Example: Red Bull, an energy drink containing amino acids, carbohydrates and caffeine, and sold in virtually every country, is not allowed in Canada.

Sports Nutrition Products: Canada has very specific compositional and labelling requirements for foods, and strictly controls the addition of vitamins, minerals and amino acids to foods. Many sports nutritional products produced outside the country do not comply with the compositional and labelling requirements contained in the *Food and Drug Regulation*. Some products, because of their composition or because they bear drug claims, are considered drugs and require a Drug Identification Number [DIN] from the Therapeutic Products Directorate, Health Canada, before they can be sold in Canada.

Example: Tropicana orange juice with calcium added features a drug identification number on every bottle.

MARKET ENTRY

OVERCOMING THE OBSTACLES

Overcoming these obstacles is possible with the right tools. Following are the five main steps for U.S. exporters to take advantage of the burgeoning Canadian market sector:

1. Contact state regional
2. Locate a broker/distributor; investigate direct sell opportunities through Canada Connects
3. Understand Canadian government standards and regulations
4. Understand Canadian retail standards
5. Research competitive marketplace

STEP ONE: CONTACT YOUR STATE REGIONAL

U.S. State Regional Offices promote the export of food and other agricultural products from their respective regions on a global basis.

One of the services the Regionals offer is a cost-share funding program, which assists in promoting branded food products and agricultural commodities in foreign markets. Funding is made possible by the USDA's Foreign Agricultural Service [FAS]. If eligible, the program provides participants with a 50-per-cent cost reimbursement for certain eligible marketing and promotional activities, including product demonstrations, in-store promotion, point-of-sale materials, advertising, trade show participation, label modification and more.

U.S. STATE REGIONAL OFFICES:

Food Export USA	Connecticut, Delaware, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island and Vermont	www.foodexportusa.org
Mid-American International Agri-Trade Council [MIATCO]	Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota and Wisconsin	www.miatco.org
Southern United States Trade Association [SUSTA]	Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, West Virginia and the Commonwealth of Puerto Rico	www.susta.org
Western U.S. Agricultural Trade Association [WUSATA]	Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, New Mexico, Oregon, Utah, Washington, Nevada and Wyoming	www.wusata.org

MARKET ENTRY

OVERCOMING THE OBSTACLES

STEP TWO: LOCATE A BROKER/DISTRIBUTOR; INVESTIGATE DIRECT SELL OPPORTUNITIES THROUGH THE CANADA CONNECT PROGRAM

Local representation provides exporters with a domestic advantage to understanding the local, regional and national markets and the opportunities available. Brokers and distributors provide guidance on best business practices, sales contacts, market development, logistics and government regulations. Many also provide merchandising and marketing programs and their volume purchasing power can help reduce retail slotting fees.

BROKER/DISTRIBUTOR RESOURCES:

Organization	Service	Contact
Foreign Agricultural Service [FAS]	Designed for U.S.-export-ready companies, the FAS program "Canada Connect" matches prospective exporters with appropriate Canadian brokers/distributors or buyers by accurately expediting entry into Canada through market research, competitive analysis and the scheduling of buyer appointments.	Canada Connect representatives in Canada: Branded food products and agricultural commodities: Faye Clack Communications Inc. 905-206-0577 www.fayeclack.com Wine products: Robert Ketchin, Ketchin Sales & Marketing 705-444-5255
The Grocery Manufacturers of America [GMA]	Formerly the Association of Sales & Marketing Companies [ASMC], the GMA is a Reston, VA-based trade association promoting the interests of sales and marketing agents and retail merchandisers worldwide. Its web site includes a Canadian database of brokers/distributors.	www.asmc.org
The Canadian Importers and Exporters Association	The Toronto, ON-based CAIE is Canada's key source of information on Canadian customs and trade policy. It provides Canadian importers with critical and timely information and effective representation to government agencies.	www.importers.ca

MARKET ENTRY

OVERCOMING THE OBSTACLES

STEP THREE: UNDERSTAND CANADIAN GOVERNMENT REGULATIONS

There are a number of federal acts and regulations that govern the importation of food into Canada. The primary federal agencies involved are the Canadian Food Inspection Agency and the Department of Foreign Affairs and International Trade.

The Canadian Food Inspection Agency [CFIA]:

The CFIA provides all federal inspection services related to food safety, economic fraud, trade-related requirements, animal and plant disease and pest programs. The CFIA administers, among others, the following acts:













- Canada Agricultural Products Act and Associated Regulations
- Canadian Food Inspection Agency Act
- Consumer Packaging and Labelling Act
- Customs Act
- Export and Import Permits Act
- Fish Inspection Act
- Food and Drug Act
- Importation of Intoxicating Liquors Act
- Meat Inspection Act
- Plant Protection Act
- Weight and Measures Act

The Food and Drug Act and Regulations is the primary legislation that applies to all food sold in Canada, whether imported or domestic. This legislation sets out minimum health and safety requirements, as well as provisions preventing fraud or deception [labelling, packaging, treatment, processing, sales and advertising].

Food products sold in Canada must comply with bilingual packaging in English and French. This is pertinent to both labelling and nutritional information. It is important to note that nutritional fact, ingredient declarations and health claim labelling regulations are different in Canada than in the U.S., and U.S. products must comply with Canadian standards.

The Department of Foreign Affairs and International Trade [DFAIT]:

DFAIT controls the importation of certain agricultural products through the application of the Export and Import Permits Act and Tariff Rate Quotas [TRQs]. Under TRQs, imports of specific agricultural products are subject to low or free rates of duty until the quota limit has been reached. Once reached, over-quota imports are then subject to significantly higher rates of duty that are generally cost prohibitive. Products that fall into this category include:

<ul style="list-style-type: none">▪  Broiler hatching chicks and eggs▪  Turkey▪  Cheese▪  Milk and Cream▪  Yogurt▪  Ice Goods	<ul style="list-style-type: none">▪  Chicken▪  Non-NAFTA Beef and Veal▪  Butter▪  Buttermilk▪  Dairy Blends▪  Margarine
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MARKET ENTRY

OVERCOMING THE OBSTACLES

RELEVANT CANADIAN GOVERNMENT AGENCIES:

Government Regulatory Organizations	Function	
Canadian Food Inspection Agency [CFIA]	Government of Canada's regulator for food safety [along with Health Canada], animal health and plant protection.	www.inspection.gc.ca
Canada Customs and Revenue Agency [CCRA]	Its mission is to promote compliance with Canada's tax, trade, border legislation and regulations.	www.ccra-adrc.gc.ca
Canadian Food and Drug Act	A regulatory document provided by Health Canada, which outlines information regarding specific food import restrictions.	www.hc-sc.gc.ca/food-aliment/
Health Canada	Administers the Food Safety Assessment Program, which assesses the effectiveness of the Canadian Food Inspection Agency's activities related to food safety.	www.hc-sc.gc.ca
Foreign Affairs and International Trade [DFAIT]	Responsible for allocating tariff rate quotas to importers.	www.dfait-maeci.gc.ca
Measurement Canada	Administers and enforces the Weights and Measures Act for food labelling purposes.	www.strategis.ic.gc.ca

IMPORT SERVICE CENTRES:

As part of its commitment to improving services for clients, the Canadian Food Inspection Agency and the Canada Customs and Revenue Agency [CCRA] have established three regional Import Service Centres [ISC] across Canada to assist in processing import request documentation/data.

In addition, ISC staff manage telephone inquiries regarding import requirements for all commodities regulated by the CFIA, and when necessary coordinate inspections for import shipments.

Import Service Centre	Open	
Eastern ISC	7 a.m. to 11 p.m. [local time]	Telephone: 1-877-493-0468 [within Canada or U.S.] Fax: 1-514-493-4103
Central ISC	7 a.m. to 12 a.m. [local time]	Telephone: 1-800-835-4486 [within Canada or U.S.] Fax: 1-905-612-6280
Western ISC	7 a.m. to 12 a.m. [local time]	Telephone: 1-888-732-6222 [within Canada or U.S.] Fax: 1-604-541-3373

MARKET ENTRY

OVERCOMING THE OBSTACLES

STEP FOUR: UNDERSTAND CANADIAN RETAIL STANDARDS

The following processes are widely and/or becoming more accepted and utilized across all retail and foodservice sectors:

Technology/Practice	Description
Universal Product Code [U.P.C.] or Bar Code	Not mandatory in Canada, nor administered by the Canadian government, virtually all retailers require products to be labelled with a U.P.C. The code is used to track inventory and pricing at the check-out counter. Universal Code Council, Inc. [UCC] issues and administers U.P.C. codes [www.uc-council.org].
Electronic Data Interchange [EDI]	Larger retailers demand EDI as their means to ordering, invoicing and other procurement activities. Smaller retailers are in transition to usage. EDI is the computer-to-computer exchange of business data in standard formats.
ECCnet	Becoming an industry standard, ECCnet is an internet-based catalogue of products, offering trading partners a product data registry that contains all pertinent data, offering one source for data access between suppliers and retailers [www.eccnet.org].
Radio-Frequency Identification Tags [RFID]	<p>Not mandatory yet in Canada but when a grocery or foodservice company has multiple facilities, adding RF transaction information to a computer database ensures knowing up to the minute where certain items are in the network of storage centers. Also, the use of RFID tags allows companies to operate in real time with detailed information, which speeds up orders and deliveries, since RFID tags make it easy to automatically route shipments to their destinations with detailed information attached.</p> <p>There is good news for the smaller guy. As RFID takes off, the tags themselves are dropping in price — to as low as 25 cents per chip, depending on quantity. This makes the smaller company's operations compatible with the larger network and supply lines.</p>
Slotting Fees	Up-front fees paid by suppliers to retailers to guarantee shelf space for new products. Fees that are paid to guarantee shelf space for existing products are referred to as “pay-to-stay” fees. There are no set rates to these fees; pricing determined by the retailer depending on the uniqueness of the product, number of skus already established in the category and the department.

MARKET ENTRY

OVERCOMING THE OBSTACLES

STEP FIVE: RESEARCH COMPETITIVE MARKETPLACE

The following chart outlines other organizations not listed previously which could be helpful in seeking data related to your product and its opportunities within the Canadian marketplace:

Organization	Function/Purpose	Information
Canadian Council of Grocery Distributors [CCGD]	A non-profit association representing Canadian distributors and marketers of food and grocery-related products.	www.ccgd.magi.com
Canadian Restaurant and Foodservices Association [CRFA]	The largest hospitality association in Canada.	www.crfa.ca
Canadian Federation of Independent Grocers [CFG]	A non-profit trade association furthering the interests of Canada's independently owned and franchised supermarkets.	www.cfg.ca
Consumers' Association of Canada	Its mission is to represent and articulate the best interests of Canadian consumers to all levels of government and to all sectors of society.	www.consumer.ca
Agriculture & Agri-Food Canada, Agri-Trade Food Service	Provides information, research and technology and policies and programs to achieve security of the food system, health of the environment and innovation for growth. Also has access to statistics and market analysis.	www.ats.agr.ca
Canada Connect	See program description in step 2. This program also provides competitive analysis for U.S. food manufacturers.	www.usembassycanada.gov
Statistics Canada	The official source for Canadian social and economic statistics and products.	www.statcan.ca

CONTACTS

GOVERNMENT ORGANIZATIONS

Agriculture and Agri-Food Canada	Agriculture and Agri-Food Canada Sir John Carling Building 930 Carling Ave. Ottawa, ON K1A 0C5 Tel.: (613) 759-1000 Fax: (613) 759-6726 Email: info@agr.gc.ca Web: www.agr.gc.ca
Statistics Canada	Statistical Reference Centre (National Capital Region) R.H. Coats Building, Lobby Holland Ave. Ottawa, ON K1A 0T6 Tel: (613) 951-8116 Email: infostats@statcan.ca Web: www.statcan.ca
Department of Foreign Affairs and International Trade	Department of Foreign Affairs and International Trade 125 Sussex Dr. Ottawa, ON K1A 0G2 Tel: (613) 944-4000 Fax: (613) 996-9709 Email: enqserv@dfait-maeci.gc.ca Web: www.dfait-maeci.gc.ca
Canada Customs and Revenue Agency	Commissioner of the CCRA 555 MacKenzie Ave., 6th Floor Ottawa ON K1A 0L5 Tel: (613) 952-3741 Fax: (613) 941-2505 Web: www.ccr-aadrc.gc.ca
Industry Canada	Enquiry Services Communications and Marketing Branch, Industry Canada C.D. Howe Building, Second Floor, West Tower 235 Queen St. Ottawa ON K1A 0H5 Tel: (613) 947-7466 Fax: (613) 954-6436 Email: strategis@ic.gc.ca Web: www.ic.gc.ca
Canadian Food Inspection Agency	Canadian Food Inspection Agency 59 Camelot Dr. Ottawa, ON K1A 0Y9 Tel: (613) 225-2342 Fax: (613) 228-6125 Email: cfiamaster@inspection.gc.ca Web: www.inspection.gc.ca
Health Canada	Health Canada A.L. 0900C2 Ottawa, ON K1A 0K9 Tel: (613) 957-2991 Fax: (613) 941-5366 Email: info@hc-sc.gc.ca Web: www.hc-sc.gc.ca

CONTACTS

INDUSTRY ASSOCIATIONS

Canadian Federation of Independent Grocers	Canadian Federation of Independent Grocers 2235 Sheppard Ave. East, Suite 902 Willowdale, ON M2J 5B5 Tel: (416) 492-2311 Fax: (416) 492-2347 Email: info@cfig.ca Web: www.cfig.ca
Canadian Council of Grocery Distributors	Canadian Council of Grocery Distributors Place du Parc 300 Léo Pariseau, Suite 1101 Montréal, Québec H2X 4B3 Tel: (514) 982-0267 Fax: (514) 982-0659 Email: webmaster@ccgd.ca Web: www.ccgd.ca
Canadian Produce Marketing Association [CPMA]	Canadian Produce Marketing Association 9 Corvus Court Ottawa, ON K2E 7Z4 Tel: (613) 226-4187 Email: question@cpma.ca Web: www.cpma.ca
Fruit and Vegetable Dispute Resolution Corporation [FVDRC]	Fruit and Vegetable Dispute Resolution Corporation Building 75, Central Experimental Farm 930 Carling Avenue Ottawa, ON K1A 0C6 Tel: 613 234-0982 Fax: 613 234-8036 E-mail: info@fvdrc.com Web: www.fvdrc.com
Food and Consumer Product Manufactures of Canada	Food and Consumer Product Manufactures of Canada 885 Don Mills Rd. Ste. 301 Toronto, ON M3C 1V9 Tel: (416) 510-8024 Fax: (416) 510-8043 Email: info@fcpmc.com Web: www.fcpmc.com
ACNielsen Canada	ACNielsen Canada 160 McNabb Street Markham, ON L3R 4B8 Tel: (905) 475-3344 Fax: (905) 475-8357 Web: www.acnielsen.ca

CONTACTS

PUBLICATIONS

Food in Canada	Food in Canada Rogers Media One Mount Pleasant Rd., 7th Floor Toronto, ON M4Y 2Y5 Tel: (416) 764-1502 Fax: (416) 764-1755 Email: seagle@rmpublishing.com Web: www.bizlink.com/food.htm
Canada Grocer	Canadian Grocer Rogers Media One Mount Pleasant Rd. Toronto, ON M4Y 2Y5 Tel: 1-800-268-9119 Fax: (416) 764-1523 Email: jerry.tutunjian@canadiangrocer.rogers.com Web: www.bizlink.com/cangrocer.htm
Foodservice and Hospitality	Foodservice and Hospitality 101-23 Lesmill Road Don Mills, ON M3B 3P6 Tel: (416) 447-0888 Fax: (416) 447-5333 Email: rcaira@foodservice.ca Web: www.foodservice.ca
C-Store Canada	C-Store Canada 1839 Inkster Blvd. Winnipeg, MB R2X 1R3 Tel: (204) 954-2085 Fax: (204) 954-2057 Email: mp@mercury.mb.ca Web: www.mercury.mb.ca
Western Grocer	Western Grocer 1839 Inkster Blvd. Winnipeg, MB R2X 1R3 Tel: (204) 954-2085 Fax: (204) 954-2057 Email: mp@mercury.mb.ca Web: www.mercury.mb.ca

CONTACTS

ADDITIONAL RESOURCES

Report:	Author:
2002 State of the Industry	ACNielsen, in cooperation with: Canadian Council of Grocery Distributors Canadian Federation of Independent Grocers Food and Consumer Products Manufactures of Canada Association of Sales and Marketing Companies [Washington]
2002 Shopping Basket Report	Canadian Council of Grocer Distributors ACNielsen
Canadian Grocer Executive Report 2003-2004	Canadian Grocer
Canadian Grocer, Who's Who 2003	Canadian Grocer



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